

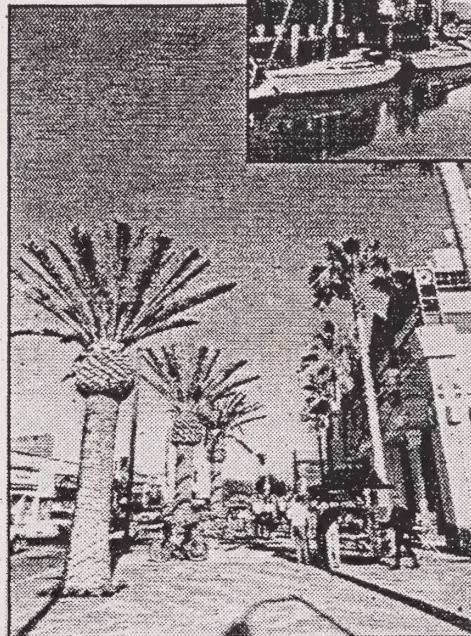
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City of Huntington Beach General Plan

Community Development Chapter
Housing Element

February 1, 1999



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**City of Huntington Beach
General Plan**

**Community Development Chapter
Housing Element**

Prepared for:

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**Adopted
February 1, 1999**

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HOUSING ELEMENT
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STATUTORY REQUIREMENTS

The California State Legislature identifies the attainment of a decent home and suitable living environment for every Californian as the State's major housing goal. Recognizing the important role of local planning programs in the pursuit of this goal, the Legislature mandates that all cities and counties prepare a housing element as part of their comprehensive General Plans. Section 65302 (c) of the Government Code sets forth the specific components to be contained in a community's housing element.

Huntington Beach's Housing Element was last updated in 1989 for the five year period from July 1, 1989 to June 30, 1994. Prior to the deadline for the next five-year update in 1994, the State Legislature granted an extension of the deadline for the update for cities and counties to June 30, 1996. In May, 1996, the State Legislature passed a bill extending the existing planning period of local housing elements by two years, which is, in the Southern California Association of Governments (SCAG) region (including Huntington Beach), until June 30, 1998. Two additional extensions have been adopted by the Legislature, further extending the Housing Element deadline to July 1, 2000. The City began its update of its Housing Element in 1996 instead of waiting until 2000 so that it is consistent with the rest of the General Plan, which was updated in May, 1996. Therefore, the planning period covered by this Housing Element update is from July 1, 1989 through June 30, 2000, and the beginning of the next Housing Element cycle begins July 1, 2000.

Organization of the Housing Element

The Huntington Beach Housing Element comprises the following major components:

1. An analysis of the City's population, household and employment base, and the characteristics of the City's housing stock. (Section C and D)
2. A summary of the present and projected housing needs of the City's households. (Section C and F)
3. A review of potential constraints to meeting the City's identified housing needs. (Section G)
4. An evaluation of opportunities that will further the development of new housing. (Section H)
5. An assessment of the City's achievements under the adopted housing program. (Section I)
6. A statement of the City's housing priorities for the next 2 years. (Section J)
7. A statement of the Housing Plan to address Huntington Beach's identified housing needs, including housing goals, policies and programs.

TECHNICAL SYNOPSIS

A. SOURCES OF INFORMATION

The analysis of population characteristics and existing housing stock for the Housing Element is based primarily on the sources listed below:

1. U.S. Department of Commerce, Bureau of Census, 1980 and 1990 Census reports.
2. City of Huntington Beach General Plan, Housing Element, 1989.
3. City of Huntington Beach General Plan, adopted by the City Council May 13, 1996.
4. City of Huntington Beach Consolidated Plan, 1995-1999.
5. Comprehensive Housing Affordability Strategy, 1994-1998.

6. Redevelopment Implementation Plan, 1995-2000.
7. Fair Housing Plan
8. City of Huntington Beach Community Profile, 1993-1994.
9. Housing Condition Field Surveys conducted by City staff.
10. Residential site information compiled by City staff.

B. PUBLIC PARTICIPATION

Section 65583 (c)(5) of the Government Code states that, "The local government shall make diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort."

City residents were given several opportunities to recommend strategies, review, and comment on the Huntington Beach Housing Element. Two workshops were held with the Planning Commission and with the City Council. The first workshop consisted of a review of identified housing needs in Huntington Beach, and potential programs to address those needs. The second workshop consisted of a review of the Draft Housing Element. In addition, four meetings were held with the City's Housing Element Update Ad Hoc Committee, which included two City Councilpersons, two Planning Commissioners, two Citizens Advisory Committee members, and staff from the departments of Economic Development and Community Development to review identified housing needs and potential programs, and to review the Draft Housing Element.

C. HOUSING NEEDS ASSESSMENT

Assuring the availability of adequate housing for all social and economic sectors of the City's present and future population is an important goal of the Housing Element. To implement this goal, the City must target its programs toward those households with the greatest need. This section of the Housing Element discusses the characteristics of the City's present and future population and housing stock, in order to better define the nature and extent of unmet housing needs in the City.

Population

The characteristics of the population in a city are important factors affecting the type and quantity of housing in that community. Issues such as population growth rates, age and race/ethnicity as well as employment help determine the city's housing needs.

a. Population Growth Trends

The 1990 Census population for Huntington Beach was 181,519. This represents a total increase of 6.4 percent over the 1980 population of 170,505. As Table HE-1 shows, Huntington Beach ranks as the third most populated city in Orange County, following Anaheim and Santa Ana. Population figures from the State Department of Finance identify the City's 1996 population as 187,200, reflecting the lowest growth rate in the County between 1990 and 1996 at 3.1 percent, and significantly lower than the County-wide average growth rate of 8.1 percent.

b. Age Characteristics

The age structure of a population is an important factor in evaluating housing needs and projecting the direction of future housing development.

The 1990 Census data reveal that, in terms of median¹ age and persons over the age of 18, the population of Orange County, including Huntington Beach, is aging (see Table HE-2). In 1990, about 75 percent of the Orange County population was above the age of 18, compared to about 73 percent in 1980. In 1990, 79 percent of the population in Huntington Beach was above age 18, compared to 1980 when 72 percent of the population was more than 18 years old (see Table HE-3). The aging trend can be attributed to a decline in the influx of large families, a general trend of decreasing household size, and a proportion of the population that is "aging in place" (i.e., they are not moving out of the area when their children leave home or when they retire). Compared to surrounding communities, Huntington Beach has historically had one of the lower median ages. However, since 1980, the City's median age has risen so that it is slightly above the County's median age.

¹The *median* is that number exactly in the middle of a distribution of numbers. That is, 50 percent of the numbers in the distribution are above the median, and 50 percent of the numbers are below the median.

**TABLE HE-1
POPULATION GROWTH TRENDS
HUNTINGTON BEACH AND SURROUNDING CITIES
1980-1996**

City	1980	1990	1996	1990 - 1996 Change	% Change
Anaheim	219,311	266,406	293,200	26,794	10.1
Costa Mesa	82,562	96,357	102,100	5,743	6.0
Fountain Valley	55,080	53,691	54,300	609	11.3
Huntington Beach	170,505	181,519	187,200	5,681	3.1
Newport Beach	62,556	66,643	69,100	2,457	3.7
Santa Ana	203,713	293,742	305,800	12,058	4.1
Seal Beach	25,975	25,098	26,350	1,252	5.0
Westminster	71,133	78,118	82,500	4,392	5.6
Total County	1,932,709	2,410,556	2,624,300	213,744	8.1

Source: 1980, 1990 U.S. Census, 1996 figures from State Department of Finance

**TABLE HE-2
MEDIAN AGE - 1980 AND 1990
HUNTINGTON BEACH AND SURROUNDING COMMUNITIES**

City	1980 Median Age	1990 Median Age
Anaheim	28.1	28.9
Costa Mesa	28.3	30.1
Fountain Valley	28.7	33.5
Huntington Beach	28.1	31.7
Newport Beach	35.0	38.4
Santa Ana	25.8	25.0
Seal Beach	40.1	50.0
Westminster	28.4	30.2
Orange County	28.5	30.4

Source: 1980, 1990 U.S. Census

Note: Information only provided through Census; more updated information not available.

**TABLE HE-3
AGE CHARACTERISTICS - 1980 AND 1990
HUNTINGTON BEACH**

Age Range	1980 #	1980 %	1990 #	1990 %
0-5	13,024	7.6	12,663	<6.9>
6-13	21,341	12.5	16,057	<8.8>
14-17	13,074	7.7	8,915	<4.9>
18-20	10,237	6.0	8,834	<4.9>
21-24	14,550	8.5	13,331	<7.3>
25-34	32,910	19.3	38,712	21.3
35-44	24,724	14.5	30,095	16.6
45-54	17,808	10.4	23,374	12.9
55-64	12,717	7.5	14,577	8.0
65+	10,120	5.9	14,961	8.0
Total	170,505	100	181,519	100

Source: 1980, 1990 U.S. Census

Note: Information available through Census only. More current information unavailable.

c. Race and Ethnicity

The racial and ethnic composition of a population affects housing needs because of the unique household characteristics of different racial/ethnic groups. Huntington Beach mirrored the County-wide racial and ethnic trends between 1980 and 1990. Orange County is predominately non-Hispanic White (64.5 percent of the population). This is a smaller proportion than it was in 1980 when the non-Hispanic White population accounted for 78 percent of the total population.

When compared to the rest of the County, Huntington Beach has the fourth largest Asian and Pacific Islander population, the third largest non-Hispanic Black population, and the second largest Native American population. Table HE-4 describes the population of Huntington Beach and surrounding communities by race and ethnicity.

In 1990, the Huntington Beach population was 79 percent non-Hispanic White, down from 90 percent in 1980 (see Table HE-5). The proportion of those reporting themselves as Hispanic increased from 7.8 percent in 1980 to 11.2 percent in 1990. The proportion of Asian/Pacific Islanders increased from 4.9 percent to 8 percent between 1980 and 1990.

**TABLE HE-4
POPULATION BY RACE/ETHNICITY
HUNTINGTON BEACH AND SURROUNDING COMMUNITIES**

City	White	Black	Native Am.	Asian	Hisp.	Other
Anaheim	150,874	6,302	996	24,083	83,755	396
Costa Mesa	69,493	1,140	340	5,998	19,319	67
Fountain Valley	39,164	485	257	9,368	4,357	60
Huntington Beach	143,848	1,622	932	14,565	20,397	155
Newport Beach	61,727	215	148	1,884	2,648	21
Santa Ana	67,897	6,454	720	26,867	191,383	421
Seal Beach	22,513	244	48	1,025	1,253	15
Westminster	44,907	795	347	17,105	14,896	68
Orange County	1,554,501	39,159	8,584	240,756	564,828	2,728

Source: 1990 U.S. Census

Note: Information only available through the Census. More current information unavailable.

**TABLE HE-5
POPULATION BY RACE/ETHNICITY - 1980 AND 1990
HUNTINGTON BEACH**

Race/ Ethnicity	1980 #	1980 %	1990 #	1990 %
*White	154,156	90	143,848	79.2
*Spanish Origin	13,427	NA	20,397	11.2
Black	1,218	0.7	1,622	0.9
Native Am.	1,204	0.7	932	0.5
Asian	8,453	5	14,565	8.0
Other	5,474	3.2	155	0.1
Total	170,505	100	181,519	100

Source: 1980, 1990 U.S. Census

*Note: Spanish origin is a sub-category of the White ethnic class, and is therefore not included in the total.

e. Employment

There are currently approximately 47,177 jobs² in Huntington Beach. The key employment categories in the City in terms of the number of firms and employees are the retail, service, and manufacturing sectors. Together, these categories account for over 71 percent of all employment in Huntington Beach. Table HE-6 shows employment by business type in the City in 1995.

The 1990 Census data indicated that 108,429 Huntington Beach residents were in the labor force. Of those employed, approximately 18 percent of them worked in the manufacturing sector and 45 percent in the service sector.

According to the 1990 Census, the unemployment rate in Huntington Beach was 3.6 percent, considerably below the County average of 4.8 percent. The unemployment rate varied by race/ethnicity. That is, in 1990, the unemployment rate for the White population was 3.4 percent, compared to 7.9 percent for those of "Other" races, 7 percent for the Black population, 6.2 percent for those of Hispanic origin, 4.2 percent for the Asian population, and 3.8 percent for the Native American population.

²Source: City of Huntington Beach Business License Department, 1995.

**TABLE HE-6
EMPLOYMENT BY BUSINESS TYPE - 1995
HUNTINGTON BEACH**

Business	# Employees
Retail Trade	7,526
Financial/Insurance/Real Estate	2,241
Business/Professional Service	19,641
Construction	6,546
Manufacturing	10,974
Transportation/Communi- cation/Public Utility	249
Total	47,177

Source: Business License Dept. City of Huntington Beach, 1995.

Household Characteristics

The characteristics of the households in a city are important indicators of the type of housing needed in that community. The U.S. Census defines a household as all persons who occupy a housing unit, regardless of whether these persons are related by birth, marriage, adoption, or not related at all. People living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

a. Household Composition and Size

As indicated on Table HE-7, since 1980, the number of households, or occupied housing units, increased by about 27 percent in Orange County. In Huntington Beach, the number of households increased by approximately 9,239, or 15 percent.

Household size is an important indicator of population growth as well as an indicator of unit overcrowding. A city's average household size will increase over time if there is a trend towards larger families. In communities where the population is aging, the average household size may actually decline. In Orange County, the average household size increased from 2.78 to 2.96 persons per unit between 1980 and 1996. In Huntington Beach, the average household size has declined from 2.78 in 1980, to 2.65 in 1996, as it has declined in Fountain Valley and Newport Beach. In contrast, the cities of Anaheim, Costa Mesa, and Westminster showed increases in their average household size, and Santa Ana's average household size increased dramatically from 3.12 to 4.17.

In Huntington Beach, renter-occupied households averaged a smaller number of people per unit (2.54) than did owner-occupied households (2.68). Typically, multiple-family rental housing has a lower average household size than single-family homes. The City's relatively small average household size in part may reflect the aging population in the City, and a lower incidence of family households. However, this is probably also due to the fact that Huntington Beach has relatively few units for large families to rent.

TABLE HE-7
NUMBER OF HOUSEHOLDS/AVERAGE HOUSEHOLD SIZE -
1980 AND 1996
HUNTINGTON BEACH AND SURROUNDING COMMUNITIES

City	1980 Total Households	1980 Persons per Household	1996 Total Households	1996 Persons per Household
Anaheim	79,677	2.71	92,096	3.14
Costa Mesa	32,637	2.46	38,221	2.62
Fountain Valley	16,520	3.33	17,465	3.09
Huntington Beach	61,126	2.78	70,365	2.65
Newport Beach	27,820	2.23	31,541	2.17
Santa Ana	64,182	3.12	71,575	4.17
Seal Beach	13,351	1.91	13,349	1.96
Westminster	23,837	2.97	25,489	3.22
Orange County	687,059	2.78	874,169	2.96

Source: 1980, 1990 U.S. Census, 1996 figures from State Department of Finance.

b. Overcrowding

The federal government defines an overcrowded household as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Overcrowding in households results from either a lack of affordable housing (which forces more than one household to live together, or a large-family household living in a too-small unit) and/or a lack of available housing units of adequate size.

Table HE-8 shows the extent of overcrowding by housing tenure (i.e., renter/owner) and income, specifically for large family renter-households and non-elderly homeowners. The information in this table was produced by the Department of Housing and Urban Development (HUD) based on 1990 Census data, and was provided for large-family, non-elderly, and total households only. This table illustrates that unit overcrowding in Huntington Beach has a much higher incidence among renter households than among owner households, regardless of income level. The incidence of overcrowding is even higher for lower income large-family renters, with over 80 percent of the extremely low and very low income larger renter households experiencing overcrowded conditions in 1994. This is an indication of the limited supply of affordable large (i.e., three or more bedrooms) rental units in Huntington Beach, and the doubling up of households to save on housing costs.

**TABLE HE-8
OVERCROWDED HOUSEHOLDS
HUNTINGTON BEACH**

Income Group	Percent Overcrowded by Income Group			
	Large-Family Rental Households	Total Rental Households	Non-Elderly Owner Households	Total Owner Households
Extremely Low Income (0-30% MFI)	81.6%	13.6%	1.6%	0.6%
Very Low Income (31-50% MFI)	83.5%	19.5%	7.3%	3.2%
Other Low Income (51-80% MFI)	61.9%	13.5%	4.8%	2.6%
Total Overcrowding	56.4%	8.9%	2.1%	1.6%

Source: HUD CHAS Data Book, Table 8, 1994 (Based on 1990 Census Data)

MFI = Median Family Income

c. Income Distribution

Median family income and median household income data for specific cities are collected and reported through the Census only; however, median household income for the County is calculated annually for each Southern California Metropolitan Statistical Area (MSA). The HUD figures are only available for the County as a whole, not on a City by City basis. The median household income for the County of Orange in 1997 was \$63,200 and \$65,800 for 1998. The median³ household⁴ income for Orange County increased by 132 percent between 1980 and 1990, and by 23 percent between 1990 and 1998. Between 1980 and 1990, the median family⁵ income increased by 96 percent.

Median family and household income in Huntington Beach between 1980 and 1990 followed a trend similar to that of the County. That is, in 1990, the median household income for the City was \$50,633 compared to \$24,015 in 1980 (a 110 percent increase), and the median family income in 1990 was \$57,056, compared to \$26,985 in 1980 (a 111 percent increase). Compared to surrounding communities, the 1990 median family and household income in Huntington Beach is the third highest after Newport Beach and Fountain Valley (refer to Table HE-9).

³The *median* is that number exactly in the middle of a distribution of numbers. That is, 50 percent of the numbers in the distribution are above the median, and 50 percent of the numbers are below the median.

⁴A household is defined as all persons who occupy a housing unit, regardless of whether they are related by birth, marriage, adoption, or not related at all.

⁵A family is a household whose members are all related, either by birth, marriage, or adoption.

**TABLE HE-9
MEDIAN HOUSEHOLD AND FAMILY INCOME - 1980 AND 1990
HUNTINGTON BEACH AND SURROUNDING COMMUNITIES**

City	1980 Family Income	1980 Household Income	1990 Family Income	1990 Household Income
Anaheim	\$23,112	\$20,026	\$43,133	\$39,620
Costa Mesa	\$22,485	\$19,309	\$45,266	\$40,313
Fountain Valley	\$31,051	\$29,590	\$60,350	\$56,255
Huntington Beach	\$26,985	\$24,015	\$57,056	\$50,633
Newport Beach	\$36,447	\$27,516	\$81,929	\$60,374
Santa Ana	\$20,193	\$18,362	\$34,760	\$35,162
Seal Beach	\$24,594	\$15,319	\$51,381	\$32,834
Westminster	\$25,050	\$22,930	\$45,007	\$41,364
Orange County	\$26,090	\$22,802	\$51,167	\$53,000

Source: 1980, 1990 U.S. Census

d. Housing Affordability and Overpayment

Housing Sales: The median housing unit value in Orange County is one of the highest in the state. According to the 1990 Census, the median value of an owner-occupied dwelling unit more than doubled since 1980, increasing from \$108,100 in 1980 to \$252,700 in 1990. Compared to surrounding cities, Huntington Beach had the third highest median housing value in 1990 after Newport Beach and Seal Beach (refer to Table HE-10).

Current information on housing sales prices continues to rank the City third in housing prices among those Orange County jurisdictions surveyed. And like most jurisdictions, while the City's housing values have fallen since 1990, the housing market is showing rapid recovery as illustrated by the 15 percent increase in median home prices in Huntington Beach between June 1997 and June 1998.

Table HE-11 shows median sale prices for both single-family homes and condominiums by zip code in Huntington Beach for the first six months of 1998. Sales volume has been strong throughout the City, with a particularly large number of single-family homes sold in zip code 92646, and large numbers of condominiums sold in zip code 92648. Median sales price varies significantly by area of the City, with zip codes 92647 and 92646 evidencing the most affordable sales prices.

TABLE HE-10
MEDIAN VALUE OF HOUSING
1980 - 1990 - 1997 - 1998

City	1980 Median Value	1990 Median Value	1980 - 1990 % Increase	June 1997 Median Value	June 1998 Median Value
Anaheim	\$93,000	\$218,700	135%	\$168,250	\$180,000
Costa Mesa	\$108,400	\$257,000	137%	\$199,500	\$230,000
Fountain Valley	\$126,300	\$287,000	127%	\$221,000	\$254,000
Huntington Beach	\$120,400	\$287,100	138%	\$229,000	\$265,000
Newport Beach	\$200,100	\$500,001	150%	\$425,000	\$515,750
Santa Ana	\$80,500	\$185,400	130%	\$140,000	\$160,000
Seal Beach	\$125,900	\$353,600	181%	\$319,000	\$333,000
Westminster	\$95,300	\$226,100	137%	\$164,250	\$179,500
Total County	\$108,100	\$252,700	134%	not available	not available

Source: 1980, 1990 U.S. Census
1997 and 1998 median values from data compiled by the California Association of Realtors on units sold during monthly time frame indicated.

TABLE HE-11
HUNTINGTON BEACH
MEDIAN SALES PRICES BY ZIP CODE
January - June 1998

Zip Code	Single Family		Condominiums	
	Median Sale Price	Sales Volume	Median Sales Price	Sales Volume
92646	\$245,000	334	\$151,250	45
92647	\$230,000	250	\$121,000	45
92648	\$322,000	232	\$175,500	110
92649	\$339,000	198	\$159,000	85

Source: Los Angeles Times Dataquick Information Systems, January - June 1998.

Housing affordability is income dependent. Table HE-12 compares Huntington Beach's 1990 household income distribution and affordable monthly housing costs to housing prices affordable to these income groups. Housing affordability is based upon HUD's 30 percent income standard (that is, a household should not spend more than 30 percent of its gross income on housing). Given that the June 1998 reported median for-sale home price in the City is \$265,000, almost 50 percent of the City's households cannot afford to purchase these homes.

Rental Housing: Between 1980 and 1990, housing unit rental rates have increased 122 percent in the City and 116 percent in the County as a whole. In 1990, the median monthly rent in Huntington Beach was \$808, and the median monthly rent for the entire County was \$728. Compared with surrounding communities, Huntington Beach had the third highest median monthly rent in 1990 after Newport Beach (\$961), and Fountain Valley (\$846). City rents were above those in Seal Beach (\$790), Costa Mesa (\$759), Westminster (\$690), Santa Ana (\$679), and Anaheim (\$661).

Current information (June 1998) on rental housing costs was obtained from REALFACTS, a service which provides information for rental complexes of 100 units or more. Twenty-eight complexes in Huntington Beach were included in the survey, comprising 6,316 units. Table HE-13 presents information on rental rates by number of bedrooms and bathrooms for both the City and Countywide totals.

The largest supply of rental units in the City were in the one bedroom, one bath category, with 42 percent of the City's rentals falling in this category. Average rents on these units were \$823 per month, compared to \$824 to similar sized units Countywide. Twenty-three percent of the City's rentals were two bedroom, two bath units, renting for an average of \$1,048, compared to \$1,076 Countywide. Approximately six percent of the City's rentals were three bedroom units, with rents averaging around \$1,200.

REALFACTS also tracks rent history for the preceeding eight quarter period, from September 1996 to June 1998. During this period, rents have been climbing steadily in Huntington Beach from an overall average of \$861 in September 1996 to \$938 in June 1998. Countywide rents have followed a similar trend, increasing from an average of \$839 to \$936 during the two year period. Consistent with the increase in rents has been an increase in average occupancy rates, climbing from 96.6% to 98.1% in Huntington Beach and 95.3% to 96.1% Countywide during the 1996-1998 period.

Area Fair Market Rents (FMRs)⁶ for 1998 in Huntington Beach are \$635 for a studio, \$693 for a one-bedroom, \$858 for a two-bedroom, and \$1,193 for a three-bedroom unit. Based on the information from the REALFACTS survey presented in Table HE-13, market rents in Huntington Beach are significantly higher than the FMRs for Huntington Beach.

⁶ The Fair Market Rent is determined by HUD and is published as the Section 8 existing fair market rent which applies to the city in which a residential project is located. The rent level that HUD uses for its Section 8 program is the government's estimate of what an average local market rent is for that area.

**TABLE HE-12
HOUSING AFFORDABILITY - 1990
HUNTINGTON BEACH**

Income Group	No. of Households	% of Total	Affordable Monthly Housing Cost	Affordable Housing Sale Price
< \$5,000	1,105	1.6%	< \$125	<\$21,720
\$5,000-\$9,999	2,453	3.6%	\$125-\$250	\$21,720-\$43,440
\$10,000-\$14,999	2,593	3.8%	\$250-\$375	\$43,440-\$65,161
\$15,000-\$24,999	6,594	9.5%	\$375-\$625	\$65,161-\$108,601
\$25,000-\$34,999	8,321	12.0%	\$625-\$875	\$108,601-\$152,041
\$35,000-\$49,999	12,900	18.7%	\$875-\$1,250	\$152,041-\$217,202
\$50,000-\$74,000	17,319	25.0%	\$1,250-\$1,850	\$217,202-\$321,459
\$75,000-\$99,000	9,268	13.4%	\$1,850-\$2,500	\$321,459-\$434,404
\$100,000+	8,504	12.3%	\$2,500+	\$434,404+

Source: U.S. Department of Commerce, Bureau of the Census, 1990 Census.

- Notes:
- 1) Affordability based upon HUD 30% income standard-i.e., a household should not spend more than 30% of its gross income on housing.
 - 2) Affordable housing price based upon 20% downpayment, 8% interest rate, 30-year fixed-rate mortgage, and a 2 point fee (2% of the mortgage). Taxes, insurance, association fees, utilities, etc. are not included.

TABLE HE-13
HUNTINGTON BEACH AND ORANGE COUNTY
RENTAL RATES IN COMPLEXES WITH 100+ UNITS
June 1998

# Bedrooms	Huntington Beach			Orange County		
	# Units	Av. Sq. Ft.	Av. Rent	# Units	Av. Sq. Ft.	Av. Rent
Studio	311	522	\$720	5,215	512	\$674
jr. 1bd	328	599	\$704	3,490	574	\$750
1 bd 1bth	2,689	736	\$823	41,792	747	\$824
1bd 1.5 bth	--	--	--	210	867	\$954
2bd 1 bth	581	964	\$954	12,401	926	\$853
2bd 1.5 bth	402	1,000	\$962	2,423	965	\$847
2bd 2bth	1,450	1,017	\$1,048	33,625	1,027	\$1,076
3bd 1.5bth	4	1,466	\$1,145	54	1,327	\$989
3bd 2bth	257	1,243	\$1,209	3,509	1,210	\$1,189
4bd	--	--	--	48	1,414	\$1,205
2bd Townhouse	174	1,132	\$1,088	4,316	1,119	\$1,098
3bd Townhouse	120	1,376	\$1,219	908	1,308	\$1,363
Totals	6,316	1,005	\$939	107,991	1,000	\$937

Source: Real Facts Submarket Overview, June 1998.

Households Overpaying for Their Housing: State and Federal standards specify that a household overpays for its housing if it spends more than 30 percent of its gross income on housing. A household that is spending more than it can afford for housing has less money available for other necessities and emergency expenditures. Lower income households overpaying for housing are more likely to be at risk of becoming homeless than other households. Renter-households overpay for their housing costs more often than owner-households. Because renter-households tend to be lower income than homeowners, overpayment affects renter-households more seriously. In addition, overpayment by owners is typically considered less serious than overpayment by renters because they have more options than renters, and are therefore less likely to become homeless. That is, owners are building equity, and have the option of selling the home and possibly obtaining less expensive

housing, refinancing, or using the equity in the home to obtain a loan. However, it is important to note that this is not universally the case and that due to the reduction in home prices in the 1990s, there are also a number of homeowners whose mortgage exceeds the current market value of their home.

Based on trends identified in the 1990 Census, it is projected that approximately 26 percent (10,702 households) of the City's homeowners and 42 percent (12,265 households) of renter households in 1996 are spending 30 percent or more of their gross income on housing.

e. Special Needs Groups

Certain segments of the population may have a more difficult time finding decent, affordable housing due to their special circumstances or needs. These "special needs" households include elderly persons, disabled persons, large households, female-headed households, farmworkers, and the homeless.

Elderly: The population over 65 years of age has four main concerns:

- Income - People over 65 are usually retired and living on a fixed income;
- Health Care - Because the elderly have a higher rate of illness and dependency, health care and supportive housing is important;
- Transportation - Many seniors use public transit. However, a significant number of seniors have disabilities and require alternative transportation; and
- Housing - Many seniors live alone and are renters.

These characteristics indicate a need for smaller, lower cost housing units with easy access to public transit and health care facilities.

According to the 1990 Census, there are an estimated 15,088 elderly persons (i.e., 65+ years of age) in the City of Huntington Beach, representing 8.3 percent of the total population. Of these, approximately 32 percent, or 4,795 are considered "frail" elderly persons (people with one or more limitations to daily activities). According to the CHAS Data Book, an estimated 2,840 elderly households in the City are lower income households in need of housing assistance. Assuming the same proportion (32 percent) of these elderly are frail, it can be estimated that 909 of Huntington Beach's lower income elderly households are frail elderly in need of housing assistance.

Given the size of the elderly population in Huntington Beach and the number of those in need of housing assistance, the existing inventory of assisted housing and supportive housing for elderly in the City is inadequate to serve the needs.

Disabled: Persons with disabilities include those with mental, developmental, and physical disabilities. According to the 1990 Census, there are 14,098 Huntington Beach residents with work, mobility, and/or self-care disabilities, comprising 9 percent of the City's population. Housing for physically disabled persons must not only be affordable, but also contain special construction features to be accessible. The location of housing for disabled persons is also important because many such households need access to a variety of social services and to specialized handicapped access facilities. In addition to the housing needs of the physically disabled described above, there should be support services designed to meet individual needs.

While no current comparisons of disability with income, household size, or race are available, it can be assumed that a substantial number of disabled persons fall within the federal Section 8 income limits, particularly those households not in the labor force. Housing opportunities for individuals with disabilities can be addressed through the provision of affordable, barrier-free housing.

Rehabilitation assistance can be targeted to disabled renters and homeowners for unit modifications to improve accessibility. Accessible housing for the disabled can also be provided through development of housing for seniors.

Large Households: Large households are identified as a group with special housing needs based on the limited availability of adequately sized, affordable housing units. Large households are often of lower income, frequently resulting in the overcrowding of smaller dwelling units and in turn, accelerating unit deterioration.

The 1990 Census reports 6,447 households with five or more members in Huntington Beach, representing 9 percent of the City's total households. The tenure distribution of large households is as follows: 3,683 owner-occupied, and 2,764 renter-occupied. According to the City's 1995 Consolidated Plan, 1,197 large family renters were lower income and in need of housing assistance, and approximately 56 percent of these households live in overcrowded conditions. This indicates a need for large (i.e., three or more bedrooms) affordable rental units in the City.

Female-Headed Households: Female-headed households with children require special consideration and assistance because of their greater need for day care, health care, and other facilities. These households tend to have lower incomes than other groups, which limits housing availability for this group. In 1990, Huntington Beach had 6,576 female-headed family households, 3,633 or 55 percent with children. The 1990 Census also indicates that approximately 15 percent of these female-headed families with children had incomes below the poverty level. These households need affordable supportive services, such as day care and health care, as well as affordable housing opportunities.

Farmworkers: The special housing needs of farmworkers stem from their low wages and the insecure, seasonal nature of their employment. The 1990 Census indicated that there were 932 Huntington Beach residents employed in farming, forestry, or fishing occupations, which is less than one percent of the City's workforce. Farmworkers have a need for affordable housing for families, as well as single people.

Homeless: Throughout the country, homelessness has become an increasing problem. Factors contributing to the rise in the number of homeless people include the economic recession, a general lack of housing affordable to lower income persons, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

As indicated in the City's 1994 Comprehensive Housing Affordability Strategy (CHAS) and 1995 Consolidated Plan, the exact size of the homeless population in Huntington Beach is difficult to estimate because of the transient character of the homeless and their dispersed locations. According to the City's Consolidated Plan, interviews with service providers, City staff, and agencies involved with homeless issues, the City of Huntington Beach does not perceive itself as having a critical homeless problem, but finds it more important to focus on providing affordable housing and assistance to individuals and families at risk of becoming homeless.

The 1990 Census data on the homeless reported seven residing in emergency shelters and none visible on the streets in Huntington Beach. Of note is that it has been widely acknowledged that the methodology used in the Census for estimating the number of homeless was ineffective in systematically identifying and quantifying the numbers of homeless persons, which resulted in a substantial undercount. In 1995, the Episcopal Service Alliance, located in the downtown area, reports serving approximately 75 homeless persons monthly in Huntington Beach.

Based on estimates by the Orange County Homeless Issues Task Force, the County's homeless population consists of approximately 10,000 to 12,000 individuals, representing 0.4 to 0.5 percent of the County's population. In contrast to the public perception of the homeless person as a single man often on drugs or alcohol, the composition of this population is becoming increasingly heterogeneous and complex. The homeless include families, children, single women, and the temporarily unemployed.

As a beach community, the City attracts numerous individuals who congregate along the beach, under the pier, by the Santa Ana River, and in Central Park. As most homeless individuals migrate to available services, social service agencies located outside the City also serve the Huntington Beach homeless.

In October 1993, the Research Committee of the Orange County Homeless Issues Task Force issued a report titled, "Demographic Profile and Survey of Homeless Persons Seeking Services in Orange County." The report compares data from two homeless surveys (1990 and 1993). According to the demographic profile contained in the report:

- Approximately 56 percent of 1993 respondents were single, where 48 percent of the 1990 respondents were single.
- Approximately 59 percent of respondents in both surveys were White.
- The 1990 sample had a slightly smaller proportion of African-Americans and a higher proportion of Latino/Hispanic respondents.

- Approximately 16 percent of the 1993 sample were veterans, whereas 22 percent of the 1990 sample were veterans.
- Approximately 68 percent of the 1993 respondents were unemployed and looking for work, whereas 61 percent of the 1990 respondents were unemployed and looking for work.
- The average length of residence in Orange County for the 1993 sample was 14.6 months, and the average length of residence for the 1990 sample was 11.92 months.

A 1990 study entitled "Hunger in Orange County" by Anne Cotter is an update of an ongoing survey begun in May, 1988. The study estimated that only 17 percent of all Orange County families had incomes which would qualify them to buy homes.

The above information on the homeless indicates a need for additional emergency shelters as well as transitional housing that includes an array of services, including job training and child care. A variety of housing types and services should be provided to serve the various subpopulations such as single men and women, families, and battered women.

The study by Ms. Cotter also described those who are considered to be "at-risk" of becoming homeless. About one-third of all Orange County families paid a larger percentage of their incomes on housing than the federal guidelines recommended, which makes them vulnerable to becoming homeless upon loss of employment or reduction in incomes.

Persons "At-Risk" of Becoming Homeless: The "at-risk" population is comprised of very low-income families and individuals who upon loss of employment would lose their housing and end up residing in shelters, with friends or family, or becoming homeless. Lower-income families, especially those earning less than 50 percent of the regional median income, are at particular risk of becoming homeless. These families are generally experiencing a cost burden, paying more than 30 percent of their income for housing. In more severe cases, some families pay more than 50 percent of their income for housing.

The "at-risk" population also includes individuals who are in imminent danger of residing in shelters or of being unsheltered because they lack access to permanent housing and do not have an adequate support network, such as parents or relatives in whose homes they could temporarily reside. These individuals, especially battered women and children, runaway or abandoned youth, those being released from penal, mental or substance abuse facilities require social services that help them make the transition back into society and remain off the streets. Needed services include counseling, rental assistance, and job training assistance.

The "at-risk" population needs housing that is subsidized in some way to prevent them from becoming homeless. This need can be met through any housing program that provides for affordable rents.

D. HOUSING STOCK CHARACTERISTICS

This section describes characteristics of the housing supply in Huntington Beach, including type, age, condition, and availability.

a. Housing Growth

Huntington Beach is a suburban community with relatively little vacant land remaining for new development. Most of the City's residential development occurred between 1960 and 1979, and another 17 percent of the City's housing was built between 1980 and 1990. According to the Census, Huntington Beach had a housing stock of 72,736 units in 1990, representing a moderate 14 percent increase over the number of units in 1980.

b. Housing Type and Tenure

Housing Type: During the 1960s, vacant land was plentiful in Huntington Beach, and housing construction was characterized almost exclusively by large tracts of single-family homes. During the early 1970s, condominium developments and small multiple-family rental units became popular in response to changing housing demands, land constraints, and market conditions. Housing growth in the 1980s was characterized by multiple-family apartments and condominiums, lower density duplex and triplex units, and some single-family dwellings.

Between 1980 and 1990, the number of single-family units increased by 12 percent (from 38,644 to 43,441 units), while the number of multiple-family units increased by about 14 percent (from 22,245 to 25,353 units). The number of mobile homes increased significantly by about 20 percent, from 2,667 units in 1980 to 3,200 units in 1990. The overall distribution of housing types remains relatively stable in Huntington Beach, with single-family housing units still comprising the majority (60 percent) of the City's housing stock. Approximately 33 percent of the City's housing units are multiple-family units. Table HE-14 shows the distribution of the City's housing stock by housing type in 1990.

Housing Tenure: The tenure distribution of a community's housing stock (i.e., owner vs. renter) influences several aspects of the local housing market. Residential mobility is influenced by tenure, with ownership housing having a much lower turnover rate than rental housing. Housing overpayment, while faced by many households regardless of tenure, is far more prevalent among renters. Tenure preferences are primarily related to household income, composition, and age of the householder.

**TABLE HE-14
HOUSING TYPE AND VACANCY RATE - 1990
HUNTINGTON BEACH**

Housing Unit Type	Number	Percent of Total Housing Units
Single-Family	43,441	59.7%
Multiple-Family	26,095	35.9%
Mobile Home	3,200	4.4%
Total Housing Units	72,736	100%
Total Occupied Units	68,879	95%
Vacancy Rate	--	5.30%

Source: 1990 U.S. Census

In 1980, owner-occupied housing comprised about 57.6 percent (35,208 households) of Huntington Beach's households. The proportion of owner-occupied housing in 1990 had remained nearly the same at 58.5 percent, although the number increased to 40,284 households.

Age and Condition of Single-Family Housing Stock: City Code Enforcement and Housing staff began conducting a housing condition survey during 1995, finishing it in July, 1996. The survey covers the exterior of the units only, and was completed while staff was out in the field responding to code compliance complaints. The determination of condition was based on a point system. That is, the condition of a number of features, such as the roof, paint, and landscaping were given a rating of 1, 2, or 3. A rating of 1 means the feature is in good condition, a 2 means the feature is in fair condition, and a 3 means the feature is in poor condition. The scores of all the features were then combined for the property and categorized such that an overall score of up to 10 means the property is in good condition, an overall score of 11-20 indicates the property is in fair condition, and an overall score of more than 21 indicates a property in need of considerable repair. Of the 35,125 properties surveyed to date⁷, 28,485 (81 percent) were determined to be in good condition, 6,041 (17 percent) were determined to be in fair condition, and 599 (less than 2 percent) were determined to be in poor condition.

⁷ As of July 15, 1996.

E. ASSISTED HOUSING AT RISK OF CONVERSION TO MARKET RATE HOUSING

According to Government Code Section 65583 (a)(8), (c)(6), jurisdictions must evaluate the potential for currently rent restricted low-income housing units to convert to non-low-income housing and propose programs to preserve or replace those units. This section identifies the City's assisted housing units that are at risk of converting to market rate housing between 1998 and 2009. Detailed discussion regarding the potential conversion of these units is provided in the City's Preservation of Assisted Housing - Analysis and Program, adopted by the City Council in 1992.

a. Inventory of At-Risk Housing Units

The City of Huntington Beach has a total of 137 assisted units that could potentially be at risk of conversion to market rate, all of them bond financed under the City's Multi-Family Revenue Bond Program. Table HE-15 provides a list of these assisted projects.

Under the Multi-Family Revenue Bond Program, the City provides preferential financing for multiple-family rental housing projects in exchange for ten-year low income use restrictions of 20 percent of the units in each project. According to the bond agreements, a total of 137 units in the City's two bond projects at risk are income-restricted.

Use restrictions on Seabridge Villas were due to expire in February, 1995, although the affordability period has now been extended to the year 2000. Huntington Breakers is a 342-unit project built in 1984 with 68 income-restricted units. The project owner refinanced the bond with the City in 1989, and again in 1996, extending affordability controls until 2006.

**TABLE HE-15
CITY OF HUNTINGTON BEACH
ASSISTED HOUSING AT RISK OF CONVERSION
TO MARKET RATE HOUSING**

Project Name and Address	Type(s) of Gov't. Assistance	Earliest Potential Conversion Date	Total Affordable At-Risk Units	Tenant Type	At-Risk Units Bedroom Mix
Seabridge Villas 20251 Cape Coral Lane	City Multi-Family Revenue Bond	2000	69 (Low-Income)	Family	56 - 1bdm 13 - 2bdm
Huntington Breakers 21270 Beach Blvd.	City Multi-Family Revenue Bond	2006	68 (Low-Income)	Family	25 - studio 36 - 1bdm 7 - 2bdm
Total Units			137		

Source: Compiled by Cotton/Beland/Associates, Inc., August, 1998, based on information provided by City of Huntington Beach Economic Development Department.

b. Preservation Costs

Preservation of the City's low income bond financed projects at-risk of losing affordability controls can be achieved in three primary ways: 1) refinance mortgage on projects to extend affordability controls; 2) facilitate the transfer of ownership of these projects to or purchase of similar units by non-profit organizations; or 3) assist qualified tenants in obtaining Section 8 certificates from the Orange County Housing Authority.

Option to Refinance Mortgage Revenue Bond: Refinance the mortgage revenue bonds that were issued to the respective owners on the two City multiple-family housing bond projects.

If refinanced, the projects would be required by the 1986 Tax Reform Act to commit their 20 percent low-income units for the greater of 15 years or one-half the term of the bonds, whichever is longer. City records indicate a bond total of \$25,000,000 was issued to Seabridge Villas, and \$16,000,000 to Huntington Breakers, totaling \$41,000,000.

To ensure the affordability of the 137 bond-financed income restricted units in Huntington Beach, the City can negotiate with the project owners to refinance the bonds. The costs to refinance each

bond would therefore include the difference in interest rates on the remaining debt between the previous and the renegotiated bond packages, an issuance cost which amounts to approximately three percent of the bond to be paid up front by the City, and administrative costs. Project owners may not have a financial incentive to refinance unless the bond structures allow for interest rates that are well below rates on the initial bonds, and are combined with other incentives. More often, property owners prefer to either sell the property or to seek refinancing opportunities from private lending institutions and therefore be able to opt out of affordability controls.

The ten-year use restrictions on the Huntington Breakers low-income units were initially eligible to expire in 1994. The City refinanced the mortgage on Huntington Breakers in 1989 and extended the use restrictions on 20 percent of the units until 2006. The City has experience and technical expertise in bond refinancing and has expressed the intention to preserve the at-risk units in bond projects by encouraging bond project owners to refinance. The City's Redevelopment Housing Set-Aside fund could be used to refinance mortgage revenue bonds.

Option to Transfer Ownership/Purchase of Similar Units: Transfer ownership of the projects with at risk units to community-based non-profit or government entity, such as the Orange County Housing Authority. By transferring the ownership of these projects to non-profit housing organizations, low-income use restrictions can be secured, and the projects will become eligible for a greater range of government assistance programs.

However, transfer of ownership is less feasible for the City's bond financed projects than for traditional HUD prepayment eligible. Because the bond-financed projects contain only a percentage of all rent-restricted units, it is unlikely that the current owners would choose to sell these projects at rates affordable to non-profit entities. Therefore, with respect to bond-projects, it would be more feasible to purchase similar existing units by non-profits.

The assessed value for a piece of property establishes the property tax structure. Re-assessment of property value occurs only when there is a transfer of ownership; otherwise, inflation on the assessed value is capped at an annual rate of two percent. Therefore, a property's assessed value is usually lower than its current market value. However, with the absence of current market value information on the at-risk projects, current assessed values shown in Table HE-16 are used to establish an order of magnitude for estimating preservation costs.

Given the good condition of the at-risk projects listed, maintenance costs are likely to be low. Therefore, it is assumed that rental income will defray monthly mortgage and maintenance costs.

Table HE-16 summarizes the estimated costs associated with transfer of ownership of each project.

**TABLE HE-16
COSTS OF TRANSFERRING OWNERSHIP/
PURCHASE OF SIMILAR UNITS**

Project	Assessed Value	At-Risk Units Downpayment	At-Risk Units Mortgage Loan
Seabridge Villas			
Entire Project	\$38,338,740		
Rent-Restricted Units (20%)	\$ 7,667,748	\$766,775	\$ 6,900,973
Huntington Breakers			
Entire Project	\$17,238,920		
Rent-Restricted Units (20%)	\$ 3,447,784	\$344,778	\$ 3,103,006
Total Rent-Restricted Units	\$11,115,532	\$1,111,553	\$10,003,979

Source: Assessed values obtained from the Orange County Assessor's Office, May, 1992.
Changes in assessed value since 1992 are nominal and capped at two percent annually pursuant to Proposition 13.

Rent Subsidy: When the low-income use restrictions on the at-risk units expire and units are converted to market rate, Section 8 certificates can be used to subsidize the property owners for extending the affordability of those units. Under the Section 8 certificate program, HUD pays owners the difference between what tenants can pay (defined as 30 percent of household income) and what HUD and the local Housing Authority estimate to be Fair Market Rent on the unit.

Section 8 certificates are only available to very low-income households - households earning less than 50 percent of the County median income. The 1998 HUD median income for the Anaheim-Santa Ana region is \$65,800. Assuming the average very low-income household has an income at 30 percent of the regional median income, the average income of Section 8 recipients in Orange County would be \$19,740 for a family of four. Under these assumptions, monthly housing costs affordable to Section 8 recipients are estimated to be approximately \$494 (based on HUD's definition of affordable housing costs as 30 percent of household income).

According to HUD, the 1998 Fair Market Rent is \$635 for a studio unit, \$693 for a one-bedroom unit, \$858 for a two-bedroom unit, and \$1,193 for a three-bedroom unit. Thus, the difference between the housing cost for units affordable to very low-income households and the Fair Market Rent is \$141 for a studio unit, \$199 for a one-bedroom unit, \$364 for a two-bedroom unit, and \$699 for a three-bedroom unit.

Because Section 8 certificates are only available to very low-income households, use of Section 8 subsidies as a means of extending affordability controls on the City's at-risk units would not benefit tenants that are low-income. And since the units restricted in Seabridge Villas and Huntington Breakers are only restricted at the low income level, many of these tenants are likely above the very low income limit and do not qualify for Section 8 assistance.

As of January 1, 1996, 850 families were receiving Section 8 rental assistance in Huntington Beach. During March 1-15, 1996, the Orange County Housing Authority (OCHA) requested that cities assist in disseminating Section 8 rental assistance applications to residents. The City of Huntington Beach distributed 900 applications through its Department of Economic Development. OCHA received 9,797 applications for its entire county-wide program by the deadline. By July 1996, the lottery was held. All 9,797 applicants, if eligible, were put on the waiting list with preferences given to those living in substandard housing, those displaced, and those paying over 50 percent of their income for housing. It is estimated that 1,000 received housing assistance during 96-97. As of June 1998, OCHA is not taking any additional applications.

c. Replacement Costs

This subsection analyzes the cost of constructing new low-income housing units to replace the 137 assisted units in bond projects in Huntington Beach should they be converted from low-income uses. The cost of developing new housing depends upon a variety of factors such as density, size of the units (i.e. number of bedrooms), location and related land costs, and type of construction.

Table HE-17 shows the average per unit development cost by unit type in Huntington Beach. Based on estimates by City staff updated to 1996, per unit development cost in Huntington Beach is approximately \$118,287 for a studio, \$130,396 for a one-bedroom, and \$148,841 for a two-bedroom unit. These estimates are based on a construction cost of approximately \$78 per square foot and include permit processing fees, infrastructure connection fees, and impact fees. Using the per unit cost estimates shown in Table HE-17, the cost to replace the 137 assisted units in Huntington Beach would be approximately \$17,930,427, requiring a minimum downpayment of \$1.7 million. This amount is substantially higher than the \$10,003,979 preservation cost and related \$1,111,553 downpayment under a transfer of ownership scenario, and substantially higher than the costs (plus administrative fees) to refinance the bonds.

**TABLE HE-17
REPLACEMENT COSTS PER UNIT**

Unit Type	Unit Size	Average Land Cost/Unit	Construction Cost/Unit	Total Costs/Unit
Studio	500 sq. ft.	\$78,750	\$39,537	\$118,287
One-bedroom	650 sq. ft.	\$78,750	\$51,646	\$130,396
Two-bedroom	900 sq. ft.	\$78,750	\$70,091	\$148,841

Source: City of Huntington Beach, July, 1992, estimates updated November, 1996. Update assumed a 5 percent increase in land costs, and a 7.7 percent increase in construction costs, per the Construction Industry Research Board.

Note: Per unit costs are estimated on the basis of minimum sizes according to the City's Zoning Code. Cost estimates include: permit fees for building, electrical, plumbing and mechanical permits; impact fees for parks and recreation, schools, library, and traffic; and infrastructure connection and impact fees for sewer (City), sewer (County), water, and water conservation.

d. Cost Comparisons

Ownership transfer usually involves the project in its entirety and thus, is more likely to be used by HUD prepayment eligible projects rather than bond projects where only a portion of the project units are reserved for lower-income households. Also, the costs of transferring ownership of a project to a public or non-profit agency are based on the projects' current values, which are usually marked-up to incorporate inflation and profit for the existing owners. Purchase of similar units by non-profit organizations is also costly and purchasing opportunities cannot be guaranteed. The total cost to preserve the 137 at-risk units in Huntington Beach or to maintain the assisted housing stock by means of transferring ownership and purchasing similar units is estimated at \$10,003,979, with a total downpayment cost of \$1,111,553.

Because the costs to refinance an existing bond under the current owner(s) are based primarily on the outstanding debt, refinancing the existing bond is probably the least costly preservation option for bond-financed projects. In 1989, the City refinanced the mortgage on Huntington Breakers using a variable interest rate. The City can use a similar approach to refinance other bond projects and preserve the at-risk units.

e. Resources for Preservation

This subsection discusses two types of resources available for preserving affordable units: a) financial resources potentially available to purchase or supplement existing units, or to build replacement housing, and b) entities with the interest and ability to purchase and/or manage replacement units.

Financing/Subsidy Resources: There are a variety of potential funding sources available for potential acquisition, subsidy, or replacement of units at risk. Due to both the high costs of developing and preserving housing and limitations on both the amount and uses of funds, a variety of funding sources may be required.

HUD Funds: Under LIHPRHA, should a non-profit instead take ownership of the project, the following HUD incentives would be offered:

- Mortgage insurance for acquisition loans for 95 percent of equity.
- Grants to non-profit buyers that would fill any gap between fair market rent or local market rent (whichever is higher) and allowable rents.

Redevelopment Set-Aside: The City's Redevelopment Agency has limited monies in the Redevelopment Housing Set Aside Fund available for future affordable housing activities. The Housing Set Aside Fund can be used for a variety of affordable housing construction and preservation activities including: land disposition and write-downs, site improvements, loans, grants, issuance of bonds, land and building acquisition by Agency, direct housing construction, housing rehabilitation, rent subsidies, redevelopment funds, and administrative costs for non-profit housing corporations. The Set-Aside Fund could be a significant funding source for the preservation (or production) of assisted housing.

CDBG Funds: Through the Community Development Block Grant (CDBG) program, HUD provides funds to local governments for funding a wide range of community development activities for low-income persons. As an entitlement jurisdiction, Huntington Beach receives CDBG monies directly from HUD which the City utilizes for a variety of housing, eligible public improvements and public facilities, and social service activities. The City can potentially direct a portion of the uncommitted CDBG funds toward the preservation of assisted housing for low-income households.

HOME Funds: The City has HOME Investment Partnership (HOME) funds, which are used for acquisition and rehabilitation of affordable housing in order to expand and preserve the existing affordable housing stock.

General Revenues: The City does not currently fund housing programs out of general revenue funds and, consequently, does not have any general revenue funds set aside for housing. However, general funds may be used for housing activities, and therefore represent a potential future source of funds.

Housing Authority Reserves: Other potential sources of funding are the reserves of housing authorities, such as the Orange County Housing Authority. This money is subject to some restrictions and priority is given to projects which provide for the leverage and recycling of funds.

Orange County Affordable Housing Clearinghouse: The Orange County Affordable Housing Clearinghouse is a consortium of lending institutions and community groups focused on providing funds for affordable housing through team lending. Sixteen lending institutions are currently

members of the coalition. Because the coalition is new and is still in the process of being set up, it does not currently have a track record in the community. However the financial assets and expertise of coalition members suggest that this should be a significant source of funds for low-income housing in Orange County in the future.

Administrative Resources: An alternative to providing subsidies to existing owners to keep units available as low income housing is for public or non-profit agencies to acquire or construct housing units to replace "at risk" units lost to conversion. Non-profit ownership assures the future availability of purchased units as low-income housing. Several public and non-profit agencies are currently active or have expressed an interest in purchasing and/or managing at-risk, low-income housing projects in Orange County.

The Orange County Community Housing Corporation (OCCHC): OCCHC is the oldest and largest non-profit affordable housing developer in Orange County. OCCHC has been involved in a number of housing projects for very low-income large families throughout Orange County. OCCHC participates in the management as well as the development of low income housing and has expressed interest in "at risk" units in Huntington Beach.

Council of Orange County, Society of Saint Vincent De Paul: The Society of Saint Vincent De Paul provides many social services in Orange County such as food distribution and medical services. The Society plans to continue to expand its housing operations. Including the value of donated time and goods, the Society has an annual revenue of \$9.8 million and employs a staff of 75 persons. The Society has expressed interest in preserving at-risk housing in Huntington Beach.

The Bridges Foundation: The Bridges Foundation is a national non-profit housing development corporation with a local office in Orange County. This organization specializes in the acquisition and rehabilitation of apartment projects, and placement of affordability covenants on a portion of the rehabilitated units. To date, the Bridges Foundation has completed the rehabilitation of an 80 unit project in Huntington Beach.

HomeAid: HomeAid is a non-profit corporation established by the Building Industry Association of Southern California to help alleviate homelessness in the region. The HomeAid program has a dual focus: to construct or renovate shelters for the transitionally homeless and to develop housing for lower income families and individuals. Representatives of HomeAid have expressed the agency's interest in preserving at-risk housing in Orange County.

Southern California Presbyterian Homes (SCPH): SCPH is an experienced non-profit housing developer based in Glendale. Using a variety of federal, state and local funds, SCPH has developed a number of low-income independent living facilities in Southern California.

Shelter for the Homeless: Shelter for the Homeless is a four-bedroom facility in Huntington Beach that can accommodate up to 12 people. Room and board is provided for a 15-day period during

which the client must find employment. Upon verification of employment, the stay may extend up to 120 days.

Jamboree Housing: Jamboree Housing is a non-profit corporation that has developed and implemented a number of affordable housing projects in Orange County including; a First-Time Homebuyer Program in Irvine; ownership and management of various affordable housing projects; and processing a 48-unit development in Anaheim for low-income buyers.

ISSUES

F. HOUSING NEED

Assuring the availability of adequate housing for all social and economic segments of Huntington Beach's present and future population is an important goal for the City. To achieve this goal, the City must target its programs and monetary assistance toward those households with the greatest need. This section of the Housing Element is a summary of the major housing need categories in terms of income groups as defined by Federal and State law. It includes the City's share of regional housing need as developed by the Southern California Association of Governments (SCAG). The City recognizes the special status of very low- and low-income households, which in many cases are elderly, single-parent or large family households.

Groups in Need of Housing Assistance

As summarized in Table HE-18 at the end of this section, the groups most in need of housing assistance in the near future include the following:

a. *Overcrowded Households* - Overcrowding in households results from either a lack of affordable housing (which forces more than one household to live together) and/or a lack of available housing units of adequate size. According to the 1990 Census, 6,146 (8.9 percent) of all renters and 1,105 (1.6 percent) of all owner households were overcrowded. Most of these households, particularly the renter households, were lower income.

b. *Households Overpaying for Housing* - According to the Census, an estimated 10,683 (26 percent) of the City's homeowners, and 2,981 (7 percent) of the City's lower income homeowners were spending 30 percent or more of their gross income on housing. Of the renter households, 11,979 (42 percent) of the total and 9,829 (34 percent) of the lower income renter households were spending more than 30 percent of their income on housing.

c. *Special Needs Households* - Certain segments of the population may have a more difficult time finding decent, affordable housing due to their special circumstances or needs. In Huntington Beach, these "special needs" households include:

- 909 of Huntington Beach's lower income elderly households are frail elderly in need of housing assistance;
- 14,098 persons with work, mobility, and/or self-care disabilities (9 percent of the total population) who may have special housing needs;
- 6,447 large households with five or more members, representing 9 percent of the total households;

- 6,576 female-headed households, and 3,633 of these households had children. Of the female-headed households with children, approximately 545 (15%) were living in poverty; and
- 932 Huntington Beach residents employed in farming, forestry, or fishing occupations (i.e., farm workers).

d. The Homeless - As a beach community, the City attracts numerous individuals who congregate along the beach, under the pier, by the Santa Ana River, and in Central Park. The 1990 Census data on the homeless reported seven residing in emergency shelters and none visible on the streets in Huntington Beach. In 1995, the Episcopal Service Alliance, located in the downtown area, reported serving approximately 75 homeless persons monthly in Huntington Beach.

The "at-risk" homeless population is comprised of very low-income families and individuals who upon loss of employment would lose their housing and end up residing in shelters, with friends or family, or becoming homeless. Lower-income families, especially those earning less than 50 percent of the regional median income, are at particular risk of becoming homeless. These families are generally experiencing a cost burden, paying more than 30 percent of their income for housing. In more severe cases, some families pay more than 50 percent of their income for housing.

The at-risk population also includes individuals who are in imminent danger of residing in shelters or of being unsheltered because they lack access to permanent housing and do not have an adequate support network, such as parents or relatives in whose homes they could temporarily reside. These individuals, especially battered women and children, runaway or abandoned youth, those being released from penal, mental or substance abuse facilities require social services that help them make the transition back into society and remain off the streets. Needed services include counseling, rental assistance, and job training assistance.

Other Components of Housing Need

Other components of housing need include the age and condition of the housing stock, housing sales prices and rents, and assisted housing at risk of conversion to market rate housing.

a. Age and Condition of Housing Stock - The age and condition of the housing stock can have implications for housing needs. That is, some residents may live in older housing that needs major repair/replacement but not have the money to effect the repairs, leaving the housing stock vulnerable to further deterioration. Assisting these households with rehabilitation assistance will help preserve the City's existing affordable housing stock.

In general, housing over 30 years old usually is in need of some major rehabilitation, such as a new roof, foundation work, plumbing, etc. According to the 1990 Census, approximately 80 percent of the City's housing stock is more than 30 years old.

City Code Enforcement staff began conducting a housing condition survey in January of 1995. The survey covers the exterior of the units only, and is being completed while staff is out in the field responding to complaints. Of the 35,125 properties surveyed, the survey found that the following number of housing units were in good, fair and poor condition:

Good Condition	28,485 Units (81%)
Fair Condition	6,041 Units (17%)
Poor Condition	<u>599 Units (Less than 2%)</u>
	35,125 Units

b. Housing Sales Prices and Rents - According to the 1990 Census, the median value of an owner-occupied dwelling unit more than doubled since 1980, increasing from \$108,100 in 1980 to \$252,700 in 1990.

Housing affordability is income dependent. Given that the June, 1998 reported median for-sale home price in the City is \$265,000 almost 50 percent of the City's households cannot afford to purchase these homes.

In 1990, the median monthly rent in Huntington Beach was \$808, and the median monthly rent for the entire County was \$728. Information on 1998 average rents was obtained from REALFACTS for apartment and townhome rentals with a minimum of 100 units. Average rents ranged from approximately \$720 for a studio, \$823 for a one-bedroom unit, \$1,043 for a two-bedroom unit, to \$1,209 for a three-bedroom unit.

Area Fair Market Rents (FMRs)¹ for 1998 in Huntington Beach are \$635 for a studio, \$693 for a one-bedroom, \$858 for a two-bedroom, and \$1,193 for a three-bedroom unit. Based on the information from the REALFACTS survey, market rents in Huntington Beach are significantly higher than the area FMRs. Rental units affordable to very low income households are very limited compared to the number of units affordable to other income levels.

c. Assisted Housing at Risk of Conversion - The City of Huntington Beach has a total of 137 multiple-family assisted units at risk of conversion to market rate housing. Of these units, all were constructed under the City's Multi-Family Revenue Bond Program in two separate projects: Seabridge Villas; and Huntington Breakers.

Low-income units in the City's two bond projects are subject to the following expiration dates, as shown in Table HE-15. Seabridge Villas is a 344-unit housing project with 69 units set aside for lower income households. Use restrictions on Seabridge Villas expire at the end of the year 2000. Huntington Breakers is a 342-unit project built in 1984 with 68 income-restricted units. The project

¹ The Fair Market Rent is determined by HUD and is published as the Section 8 existing fair market rent which applies to the city in which a residential project is located. The rent level that HUD uses for its Section 8 program is the government's estimate of what an average local market rent is for that area.

owner refinanced the bond with the City in 1989, and again in 1996, extending affordability controls until 2006.

d. The Regional Housing Needs Assessment (RHNA) - Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted growth in the number of households in the different income categories between July 1, 1989 and June 30, 2000, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an "ideal" vacancy rate. The RHNA for Huntington Beach for the period from July 1, 1989 through June 30, 2000 is 6,228 additional dwelling units. In order to provide for a more balanced distribution of income groups, the total growth need is allocated to four income categories: very low-income, low-income, moderate-income, and upper-income. Table HE-18 shows the household growth divided into the various income categories.

**TABLE HE-18
CITY OF HUNTINGTON BEACH
EXISTING AND PROJECTED HOUSING NEEDS**

Existing Housing Needs			
Overpaying Households:		Special Needs Groups:	
Total	22,662	Elderly Households	909
Renter	11,979	Disabled Persons	14,098
Owner	10,683	Large Households	6,447
		Female Headed	
		Households	6,576
		Female Headed	
		w/Children	3,633
		Farmworkers	932
Overcrowded Households:		Housing in Need of Rehabilitation:	
Total	7,251	Fair Condition	6,041
Renter	6,146	Poor Condition	599
Owner	1,105		
Projected Housing Growth Needs (July 1, 1989 through June 30, 2000)			
Total		6,228	
Very Low-Income		984	
Low-Income		1,264	
Moderate-Income		1,370	
Upper-Income		2,610	

Note: Special needs figures cannot be totaled because categories are not exclusive of one another.

Source: 1990 U.S. Census; City of Huntington Beach, Housing Conditions Survey, 1996 (based on survey of 35,125 units); SCAG 1988 Regional Housing Needs Assessment.

G. HOUSING CONSTRAINTS

Actual or potential constraints on the provision and cost of housing affect the development of new housing and the maintenance of existing units for all income levels. Market, government, infrastructure, and environmental constraints to housing development in Huntington Beach are discussed below.

Market Constraints

The high cost of renting or buying adequate housing is the primary ongoing constraint of providing affordable housing in the City of Huntington Beach. High construction costs, labor costs, land costs and financing constraints are all contributing to a decrease in the availability of affordable housing.

a. Vacant/Underdeveloped Land

The City of Huntington Beach is an established, nearly built-out urban area, with relatively little additional growth in the number of dwelling units anticipated. A vacant land survey¹ identifies nearly 214 acres of vacant land in the City that could be used for residential development. As shown in Table HE-19, development of all remaining vacant land designated for residential use in Huntington Beach could add up to 2,575 more units to the City's housing stock. In addition, the Downtown Specific Plan area can accommodate 363 additional units, as illustrated in Table HE-25 under Housing Opportunities.

Currently vacant residentially designated properties with entitlements provide for an additional 576 units (478 market-rate, and 134² for very low-/moderate-income households). Currently vacant land that is under entitlement is shown in Table HE-20. These are the projects with entitlements that are likely to be built within the next two years.

Table HE-21 shows currently vacant land with projects pending approval. A total of 1,783 units are pending approval-- 171³ for moderate-income households; and 1,653 market rate units.

Table HE-22 shows the residential development potential of existing underdeveloped parcels in the City. The net number of new units that could be developed on these properties is 374.

¹ Source: City of Huntington Beach, July, 1996. Includes vacant land without entitlements only.

² Of the 134 units for low-/moderate-income households, 36 of these are to be provided through off-site rehabilitation and have not been included in the calculation of net new development.

³ Of the 171 potential units for moderate income households, 41 of these are anticipated to be provided through off-site rehabilitation and have not been included in the calculation of net new development.

**TABLE HE-19
RESIDENTIAL DEVELOPMENT POTENTIAL - VACANT LAND
WITH NO ENTITLEMENTS**

Land Use Category	Acres	Total Units
Estate (4 du/ac)	78.47	314
Low (7 du/ac)	49.76	348
Medium (15 du/ac)	39.56	593
Medium-High (25 du/ac)	13.08	327
High (30 du/ac)	33.09	993
Total	213.96	2,575

Source: City of Huntington Beach, August, 1997.

**TABLE HE-20
RESIDENTIAL DEVELOPMENT POTENTIAL -
VACANT LAND PROJECTS WITH ENTITLEMENTS**

	Very Low- Income	Low- Income	Moderate- Income	Market Rate
Number of Units	31	0	103	478

Source: City of Huntington Beach, August, 1997.

Note: The above figures include 8 very low & 28 moderate income units which will be provided through off-site rehabilitation.

TABLE HE-21
RESIDENTIAL DEVELOPMENT POTENTIAL -
VACANT LAND PROJECTS PENDING APPROVAL

	Very Low- Income	Low- Income	Moderate- Income	Market Rate
Number of Units	0	0	171	1,653

Source: City of Huntington Beach, August, 1997.

Note: The moderate-income categories include 41 potential units anticipated to be provided through off-site rehabilitation.

TABLE HE-22
RESIDENTIAL DEVELOPMENT POTENTIAL -
EXISTING UNDERDEVELOPED PARCELS

Zone	Number of Acres	Number of New Units
RM (15 du/acre)	17.02	255
RMH (25 du/acre)	1.42	35
RMH-A (30 du/acre)	1.50	45
RMH-25 (25 du/acre)	3.46	86
MV-F8 (25 du/acre)	0.66	16
M-F11/25 (25 du/acre)	0.61	15
MV-F12 (35 du/acre)	0.38	13
MH-F4/30 (30du/acre)	1.70	51
Total	26.75	516*

Source: City of Huntington Beach, August, 1996.

*Note: There are a total of 142 existing housing units on these properties. Therefore, the **net** number of new units that could be constructed on these underdeveloped properties is 374.

b. Construction Costs

The single largest cost associated with building a new house is the cost of building materials, comprising between 40 to 50 percent of the sale price of a home. Overall construction costs rose over 30 percent between 1980 and 1996, with the rising cost of energy a significant contributor. Construction costs for wood frame, single-family construction of average to good quality range from

\$40 to \$55 per square foot, not including development fees. The cost of wood frame, multiple-family construction averages around \$42 per square foot, not including parking.

A reduction in amenities and quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could result in lower sale prices. In addition, pre-fabricated, factory built housing, which the City allows for in its General Plan, may provide for lower priced housing by reducing construction and labor costs. Another factor related to construction costs is the number of units built at one time. As the number of units built at once increases, construction costs over the entire development are generally reduced based on economies of scale. This reduction in costs is of particular benefit when density bonuses are used for the provision of affordable housing.

c. Land Costs

The limited supply of developable vacant land in Huntington Beach has accounted for a steady increase in raw land costs. According to local housing developers, the most recent typical residential sale prices in Huntington Beach were \$30 to \$35 per square foot for a lot zoned for multiple-family development, and \$80,000 plus about \$25,000 for improvements for a lot zoned for single-family development. These prices are for lots that are not close to the beach, where prices are higher than these.

d. Labor

Labor is the third most expensive component in building a house, constituting an estimated 17 percent of the cost of building a single-family unit. The City's ability to mitigate high construction and land costs is limited, since the City lacks the financial resources to directly subsidize construction.

e. Financing

Interest rates are determined by national policies and economic conditions, and there is little that local governments can do to affect these rates. Jurisdictions can, however, offer interest rate write-downs to extend home purchase opportunities to lower income households. Although home mortgage interest rates are currently low (rates have been averaging below 8% for several years), there is no guarantee that they will remain at this level. A greater hurdle to home ownership for lower income households at this time may be the downpayment. A household may be able to make the monthly payment on a mortgage, but be unable to accumulate enough cash for even a five or ten percent downpayment, much less a 20 percent downpayment. Government insured loan programs may be available to reduce mortgage downpayment requirements for these households.

Governmental Constraints

Housing affordability is affected by factors in both the private and public sectors. Actions by the City can have an impact on the price and availability of housing in the City. Land use controls, site improvement requirements, building codes, fees and other local programs intended to improve the overall quality of housing may serve as a constraint to housing development.

a. Land Use Controls

The Huntington Beach General Plan and Zoning Ordinance provide for a range of residential land use designations/zones in the City:

Residential Low (RL) - Single-family residential units, clustered zero-lot line developments, and "granny" flats. This designation allows for between three and seven dwelling units per net acre.

Residential Medium (RM) - Single-family residential units, duplexes, townhomes, and garden apartments, allowing for a maximum of 15 dwelling units per net acre.

Residential Medium High (RMH) - Townhomes, garden apartments, apartment "flats", allowing for a maximum of 25 dwelling units per net acre.

Residential High (RH) - Townhomes, garden apartments, and apartments. This designation is intended for developments of more than 30 dwelling units per net acre.

Mixed Use (M) - May include residential uses. The exact density, location, and mix of uses in the category is intended to be governed by a specific plan, in order to allow greater design flexibility and to address the uniqueness of a particular area.

In addition, the City offers incentives, including density bonus, land write downs, and write downs of other development costs, to for-profit and non-profit developers, for the development of senior citizen and very low- to moderate-income housing.

b. Fees and Improvements

Building, zoning and site improvement fees can significantly add to the cost of construction, and have a negative effect on the production of low-income housing. Since the enactment of Proposition 13, the Tax Reform Act of 1986, the City has had to shift the cost burden of processing the development from the City to the developer in the form of a variety of fees which are shown in Table HE-23. Development fees for a single-family low density development are estimated at \$17,100 per unit, and fees for a multiple-family high density development are approximately \$12,100 per unit. Certain Planning/Building and/or Public Works fees could be waived or subsidized by the City for the provision of lower income and senior citizen housing.

**TABLE HE-23
SUMMARY OF DEVELOPMENT FEES -
TYPICAL RESIDENTIAL PROJECT**

Fee Type	Cost Per Single Family Unit	Cost Per Multi-Family Unit
Planning/Building Fees:		
Tract Map ¹	\$61.00	\$50.37
Conditional Use Permit ²	79.19	79.19
Environmental Processing ³	34.67	34.67
Inspection ⁴	907.00	617.50
Building Plan Check ⁵	834.44	568.10
Plan review ⁶	72.56	49.40
Strong Motion	17.42	9.31
Library	375.00	240.00
Processing	20.00	20.00
School Fees ⁷	3,864.00	2,208.00
Parks/Recreation	3,120.00	1,662.00
Electrical Permit ⁸	250.00	200.00
Mechanical Permit ⁸	213.00	120.00
Plumbing Permit ⁸	250.00	180.00
Fence Permit ⁹	98.00	79.50
Addressing ¹⁰	4.17	4.17
Sub-Total	10,200.00	\$6,122.21
Public Works Development Fees:		
Sewer-City		
Sewer-County	150.00	\$150.00
Traffic Impact Fee	2,350.00	2,350.00
Water	825.00	825.00
Drainage	2,400.00	2,400.00
Grading ¹¹	1,000.00	150.00
Street Plans ¹²	6.70	6.70
Tract Map-Plan Check ¹³	50.00	50.00
Landscaping Plan-Check ¹⁴	40.00	16.00
Engineering/Inspection ¹⁵	100.00	86.00
	--	--
Sub-Total	\$6,921.70	\$6,033.70
Total Fees Per Unit	\$17,122.15	\$12,155.91
Total Fees Per Acre	\$77,049.68	\$364,677.30

Source: City of Huntington Beach, April, 1996.

Fee Assessments based upon average single-family dwelling development of:

- A) 2,100 sq. ft. of living area/400 sq. ft. garage; B) 4 bedroom units;
- C) 30-lot subdivision at 4.5 du/acre; D) Type V construction; and
- E) Building Valuation-\$174,000

Fee Assessments based upon average multiple-family development of:

- A) 1,200 sq. ft. of living area/400 sq. ft. garage; B) 4 bedroom units;
- C) 1-lot subdivision at 30 du/acre; D) Type V construction; and
- E) Building Valuation-\$93,080

Fees which have an established per unit cost have been indicated in the above table. However, some fees vary based upon the scale of the project. The formula and assumptions made for calculating those fees have been provided below:

<u>Fee</u>	<u>Formula</u>	<u>Assumption</u>
¹ Tract Map	\$1,500 + \$11/lot	Total processing fee was divided among each unit
² Conditional Use Permit	Per project fee of \$2,375	Total processing fee was divided among each unit
³ Environmental Process	Per project fee of: \$870 Environmental Assessment \$150 Mitigation <u>\$ 20 County Posting Fee</u> \$1040	Assumes preparation of a Mitigated Negative Declaration pursuant to CEQA Total processing fee was divided among each unit.
⁴ Inspection	Per Project fee of: \$644 + \$3.50/\$1,000 valuation over \$100,000	Fee amount based upon average inspection fees collected for projects requiring inspection at time of preparation of table.
⁵ Building Plan Check	92% of inspection fee.	Fee amount based upon 92% of average inspection fees collected for single and multifamily projects requiring inspection at time of preparation of table.
⁶ Plan Review	8% of inspection fee.	Fee amount based upon 8% of average inspection fees collected for single and multifamily projects requiring inspection at time of preparation of table.
⁷ Strong Motion	\$1.84/square foot	
⁸ Electrical Permit Mechanical Permit Plumbing Permit	Fees vary by type of work and number of fixtures being installed.	Fee amount based upon average permit fees collected for single and multifamily projects at time of preparation of table.
⁹ Fence Permit	\$30/foot for 6 foot tall block wall	Assumed 75 lineal feet of 6 foot tall block wall per unit.
¹⁰ Addressing	\$125/project	Total processing fee was divided among each unit.

Source: City of Huntington Beach, April, 1996.

<u>Fee</u>	<u>Formula</u>	<u>Assumption</u>
¹¹ Grading Permit	Varies depending upon project acreage and number of cubic yards of soil involved.	<i>Fee amounts based upon and average per acre cost of \$4,500/acre.</i> <i>Total processing fee was divided among each unit</i>
¹² Street Plans	\$201/project	<i>Total processing fee was divided among each unit</i>
¹³ Tract Map Plan Check	Fee varies based upon number of pages	<i>Fee amount calculated based upon the average number of pages for single and multifamily tract maps being processed at the time.</i>
¹⁴ Landscape Plan Check	\$40/lot (with Minimum Charge of \$480)	<i>Total processing fee was divided among each unit</i>
¹⁵ Engineering/Inspection	Fees are highly variable by project characteristics.	<i>Per unit fee was too variable and was not addressed in table.</i>

City of Huntington Beach, May 1998.

c. Building Codes and Enforcement

The City of Huntington Beach has adopted the State Uniform Building, Housing, Plumbing, Mechanical and Electrical Codes. These codes are considered to be the minimum necessary to protect the public health, safety and welfare. The local enforcement of these codes does not add significantly to the cost of housing.

d. Local Processing and Permit Procedures

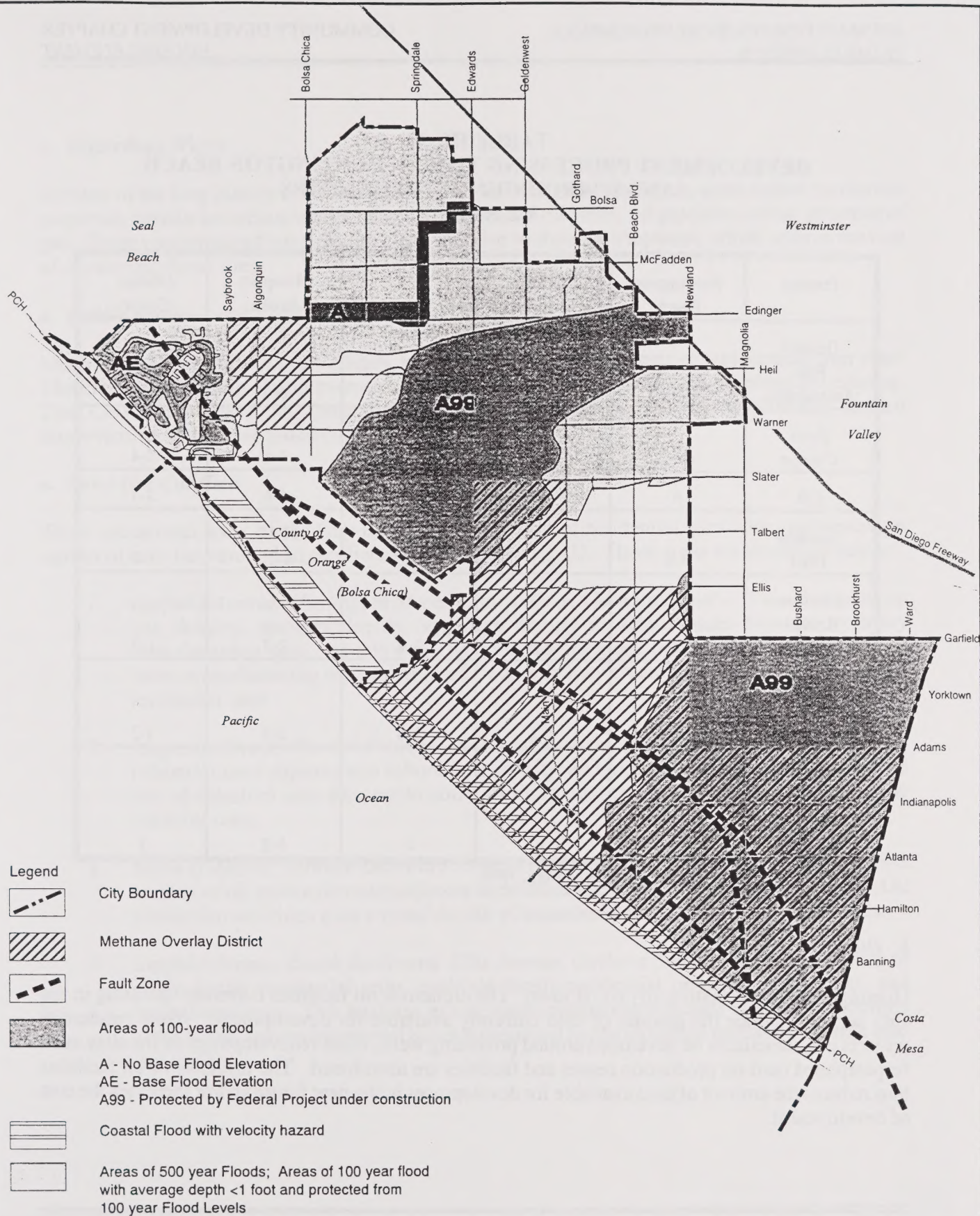
The evaluation and review process required by City procedures contributes to the cost of housing in that holding costs incurred by developers are ultimately reflected in the unit's selling price. The review process in Huntington Beach is governed by four levels of decision-making bodies: the Zoning Administrator, the Design Review Board, the Planning Commission and the City Council.

One way to reduce housing costs is to reduce the time for processing permits. Table HE-24 presents a comparison that shows the average development processing times in Huntington Beach are comparable with several surrounding communities.

Environmental and Infrastructure Constraints

a. Floodplain

Situated on a low-lying flood plain and bounded by the Santa Ana River, Huntington Beach has faced significant flood hazard in the past. However, as of April 30, 1996, the Federal Emergency Management Agency (FEMA) redesignated most of the City's flood plain to A99, which means that the area is protected by a Federal flood protection system under construction from a flood having a one percent chance of being equaled or exceeded in any given year (base flood) with no base flood elevations determined. This redesignation is based on construction of the Santa Ana River Mainstem flood control project, which includes critical features - channel and bridge widening and channelization of the Lower Santa Ana River Channel Reaches 1 through 4, and construction of the Seven Oaks Dam. Consequently, nearly all properties within the floodplain are exempt from flood construction requirements and have a substantial reduction in flood insurance rates. Figure HE-1 shows the redesignated zones.



Development Constraints

City of Huntington Beach General Plan

II-HE-47

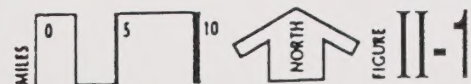


TABLE HE-24
DEVELOPMENT PROCESSING TIME IN HUNTINGTON BEACH
AND SURROUNDING COMMUNITIES
(in months)

Process	Huntington Beach	Costa Mesa	Irvine	Newport Beach	Orange County
General Plan Amendment	6-12	6-8	8-12	6-8	12-24
Zone Change	6-12	6-8	6	4-6	3-4
EIR	6	4-6	4-6	4-6	3-4
Tentative Tract	4-6	6-8	6-12	6-12	1-2
Site Plan Review (Staff)	1-2	1-2	3-4	2-3	1-2
Site Plan Review (Comm.)	3-4	1-2	3-4	2-3	1-2
Plan Checking/ Building Permits	2	1	--	1-2	1

Source: City of Huntington Beach, as of May, 1996.

b. Oil Resources

Huntington Beach is historically an oil town. The numerous oil facilities currently operating in the City serve to reduce the amount of land currently available for development. While residential projects can sometimes be developed around producing wells, often redevelopment of the sites must be postponed until oil production ceases and facilities are abandoned. The presence of oil facilities thus reduces the amount of land available for development in the near future and/or increases the cost of development.

c. Hazardous Waste

Because of the long history of oil recovery operations in Huntington Beach, some vacant residential properties contain hazardous wastes related to abandoned oil wells, oil pipelines, or the presence of gas. These contaminated sites require clean up prior to their development, which adds to the cost of developing these sites.

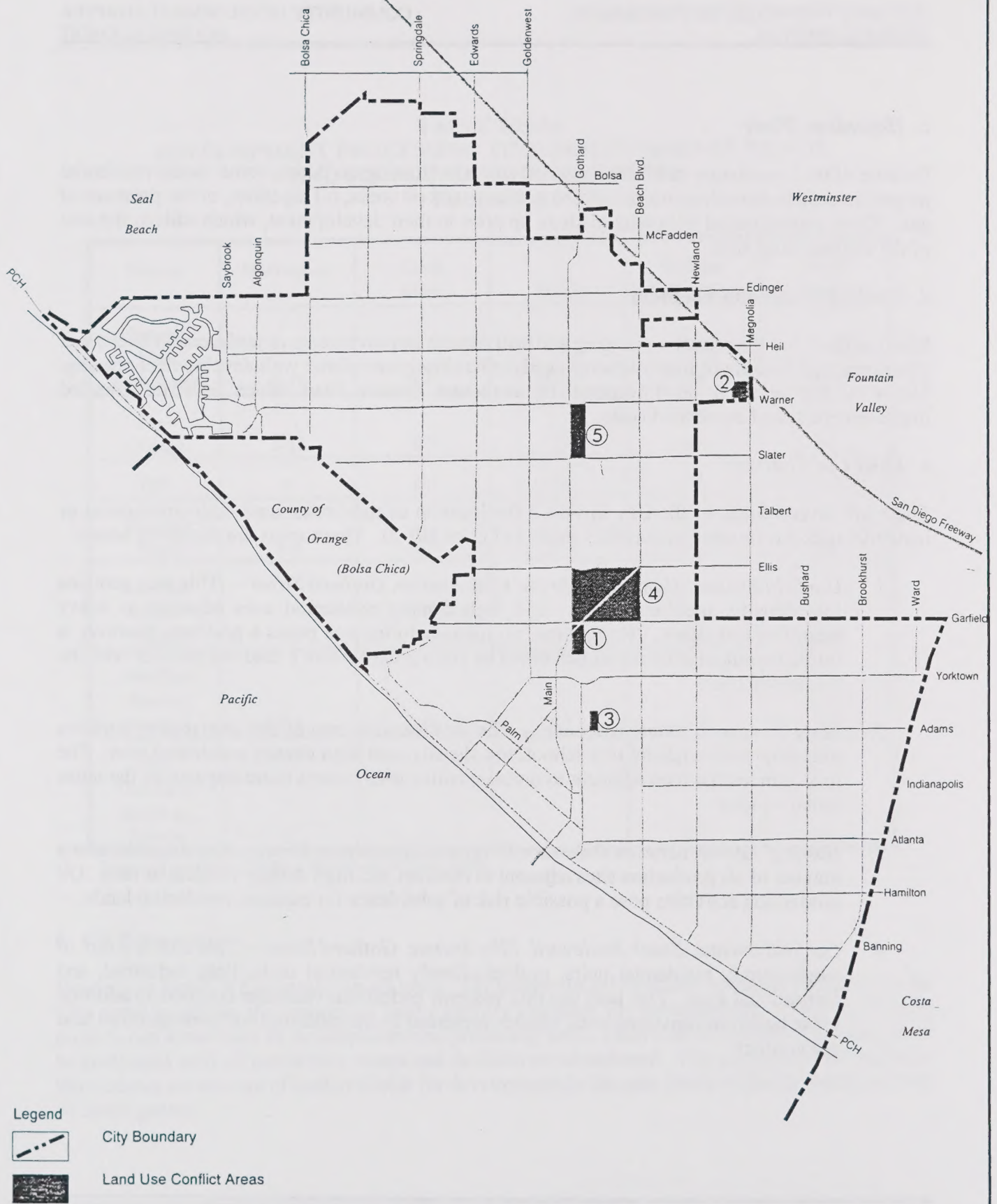
d. Public Services and Facilities

Much of the City's infrastructure is aging and will require improvements or replacement over time. The timing and funding of improvements needs to be closely correlated with development phasing. The City has adopted an Integrated Infrastructure Master Plan which identifies needed improvement(s) and associated costs.

e. Land Use Conflicts

There are several areas of the City in which the location of residential uses with commercial or industrial uses has resulted in conflicts (refer to Figure HE-2). These areas are described below:

1. *Garfield Avenue, Huntington Street, Clay Avenue, Gothard Street* - This area contains low density, medium density, and high density residential uses adjacent to heavy manufacturing uses. At this time, no manufacturing use poses a problem, however, a future manufacturing use as permitted by zoning may create a land use conflict with the residential uses.
2. *Magnolia Street, Warner Avenue* - The northwestern area of this intersection contains industrial uses adjacent to a school, low density, and high density residential uses. The mix of industrial uses adjacent to noise sensitive uses creates noise impacts on the noise sensitive uses.
3. *North of Adams, between Delaware Street and Huntington Street* - This area contains a number of oil production sites adjacent to medium and high density residential uses. Oil production activities pose a possible risk of subsidence for adjacent residential lands.
4. *Garfield Avenue, Beach Boulevard, Ellis Avenue, Gothard Street* - This area is a mix of single-family residential units, multiple-family residential units, light industrial, and institutional uses. This land use mix presents pedestrian/vehicular conflicts in addition to the health and environmental hazards presented by the industrial and non-industrial land use conflict.



Land Use Conflict Areas

City of Huntington Beach General Plan

II-HE-50

MILES 0 5 10



FIGURE II-2

5. *Warner Avenue, Gothard, Street, Slater Avenue, and Southern Pacific Railroad Right-of-Way* - The single-family residential units, institutional, light industrial, and retail mix creates traffic conflicts and the potential for environmental and health hazards.

Mitigating those conflicts for residential projects in these areas will add to the costs of development.

f. Wetland Environments

The City contains important coastal and river wetland environments that contain significant habitat. As development continues, it is important to maintain existing and establish new standards that ensure the protection of these resources. Protecting these resources can also add to the cost of new development.

g. Seismic Hazards

Most of the geologic and seismic hazards that have the potential to impact the City are due to the active Newport-Inglewood fault which traverses the City, the shallow water table, and the relatively loose nature of recent sedimentary deposits. Collectively or individually, these factors may generate surface fault rupture, severe ground shaking, subsidence, the release of methane, and other hazards (refer to Figure HE-1). More stringent building standards that are necessary in areas with a shallow water table and/or loose sediment can add to the cost of residential development.

h. Methane Overlay Districts

Figure HE-1 shows the areas in Huntington Beach that have been affected by methane gas and have been designated as Methane Overlay Districts. Huntington Beach was identified as a high-risk area relative to methane gas migration into and/or from the shallow geology (peat and organic) deposits in the Roberti Report⁴. A later study by GeoScience Analytical⁵ indicating biogenic methane caused the City to enact methane seepage district regulations for these areas. All oil fields are considered high risk areas for methane seepage. The main conduit for petrogenic methane is through abandoned oil wells. Therefore, all areas which lie above or in the immediate vicinity of one of the identified major oil field areas or drilling areas in the City are potential areas of concern. Methane may also be trapped beneath impervious surfaces (e.g., parking lots) or in enclosed underground areas (e.g., basements, subterranean garages, tunnels) where concentrations may cause an explosion or hazardous breathing conditions.

The more stringent site cleanup and development standards necessary in the methane overlay districts can add to the cost of residential development

⁴ Angus Petroleum, 1988.

⁵ Angus Petroleum, 1988.

H. HOUSING OPPORTUNITIES

This section of the Housing Element evaluates the potential additional residential units which could occur in Huntington Beach. This section includes opportunities for development of new residential development as well as other additional affordable housing. The section concludes with an analysis of opportunities for energy conservation in residential development, as required under Housing Element law.

Availability of Sites for Housing

a. Vacant Land

Relatively little vacant land suitable for residential development remains in Huntington Beach. Approximately 214 acres of the City's residential land is vacant. Under the existing zoning and General Plan land use designations, these acres could accommodate an additional 2,575 dwelling units. Table HE-19 provides a breakdown of the number of additional dwelling units that could be developed on vacant land in Huntington Beach, at densities ranging from four to 30 dwelling units per acre. Of the vacant acres, 46 are in the Medium-High and High Density categories, providing opportunities for lower cost housing development that can accommodate lower income households. These 46 acres can provide up to 1,320 total dwelling units, of which some may be affordable.

The Downtown Specific Plan area can accommodate a total of approximately 363 dwelling units (see Table HE-25). This area has 12 acres of land in the Medium-High and High Density land use categories, which will allow for up to 319 dwelling units for lower income households.

**TABLE HE-25
DOWNTOWN SPECIFIC PLAN
RESIDENTIAL DEVELOPMENT CAPACITY**

Zone	Number of Acres	Number of New Units
Low (7 du/ac)	0.49	3
Medium (15 du/ac)	2.71	40
Medium-High (25 du/ac)	8.12	203
High (30 du/ac)	3.88	116
Total	15.20	363

Source: City of Huntington Beach, August, 1996.

Note: Numbers don't add exactly due to rounding.

b. Underdeveloped Land

There is some additional residential development capacity for land in the City that is underdeveloped, which means that it is not developed to the maximum density allowed. Development on these properties could add an additional estimated 374 dwelling units to the City's housing stock. Table HE-22 shows the development potential of land that is currently underdeveloped. Again, there is land at densities that can accommodate lower income households: nearly 10 acres at densities ranging from 25 to 35 dwelling units per acre. Together, this higher density land could accommodate up to 261 units.

c. Vacant Land with Entitlements or Pending Approval

There are several residential projects that have entitlements that are anticipated to be built over the next two years. A total of 576 units are anticipated to be built, 426 of these within the next two years (refer to Table HE-20).

There are also several residential projects pending approval that City staff anticipates will be constructed within the next two years. A total of 1,783 units are anticipated from these projects; 551 of these are anticipated to be built in the next 2 years (refer to Table HE-21).

The development of the vacant and unentitled, underdeveloped and vacant land with entitlements or pending approval described above could add approximately 5,671 dwelling units to the City's housing stock.

d. Closed School Sites - Surplus Sites for Housing from School Districts

The City has a total of 16 closed schools that have General Plan land use designations of public space with underlying designations of either Low Density Residential (7 du/acre) or Medium Density Residential (15 du/acre). If all of these sites were developed as residential, they would yield an additional 1,457 units. Although the School District no longer operates schools at any of these sites, it leases the properties to organizations such as the YMCA, day care facilities and churches, and uses some of the sites for its administrative offices. Market demand is probably not strong enough to warrant developing the school sites with housing within the next two years. In fact, at least three sites are being considered by various private developers for commercial development. Therefore, potential development of these sites as residential has not been included in the total number of units anticipated to be constructed over the next two years.

e. Rehabilitation of Rental Units with Affordability Covenants

In addition to new construction, the rehabilitation of affordable units has become a useful option for the City to provide additional affordable housing units where the high cost of land, difficulties in financing, and other development constraints (as identified in section G of this document), make the construction of new low and very low income for sale units difficult if not infeasible. The City has

begun accepting the provision of off-site rental rehabilitation units to comply with the City's affordable housing policy. As an alternative, the City has been allowing developers to provide their affordable housing requirements (a condition of new residential development in the City) through rehabilitation of low and very-low income units in various projects within the City. The affordability of the units is secured for a minimum 30 year period through an affordable housing agreement between the City, the developer, and a non-profit organization that administers the affordable rental units and is responsible for monitoring and annual reporting the affordable rental rates and renter eligibility certification to the City.

To date, the City has secured an additional 8 very low income units, 28 low income units, and 64 moderate income units. Based upon the current record, the City projects that rental rehabilitation is an opportunity to provide approximately 23 additional affordable units over the next two years.

Opportunities for Energy Conservation

Under current law, Huntington Beach's Housing Element must include the following:

Analysis of opportunities for energy conservation with respect to residential development. Section 65583(a)(7).

By way of background, the Legislature in 1974 created the California Energy Commission to deal with the issue of energy conservation. The Commission in 1977 adopted conservation standards for new buildings. The Legislature directed the Commission to periodically improve the standards to account for state-of-the-art energy efficient building design. The Commission has adopted revised energy standards for new residential buildings. The revised energy conservation standards for new residential buildings have been placed in Title 24 of the California Administrative code. The new standards apply to all new residential buildings (and additions to residential buildings) except hotels and motels. The regulations specify energy saving design for walls, ceilings and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards and the use of non-depleting energy sources, such as solar energy or wind power.

Compliance with the energy standards is achieved by satisfying certain conservation requirements and an energy budget. Among the alternative ways to meet the energy standards are the following:

- Alternative 1: The passive solar approach which requires proper solar orientation, appropriate levels of thermal mass, south facing windows, and moderate insulation levels.
- Alternative 2: Generally requires higher levels of insulation than Alternative 1, but has no thermal mass or window orientation requirements.
- Alternative 3: Also is without passive solar design but requires active solar water heating in exchange for less stringent insulation and/or glazing requirements.

Standards for energy conservation, then, have been established. In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations.

In relation to new residential development, and especially affordable housing, construction of energy efficient buildings does add to the original production costs of ownership and rental housing. Over time, however, the housing with energy conservation features should reduce occupancy costs as the consumption of fuel and electricity is decreased. This means the monthly housing costs may be equal to or less than what they otherwise would have been if no energy conservation devices were incorporated in the new residential buildings. Reduced energy consumption in new residential structures is one way of achieving affordable housing costs when those costs are measured in monthly carrying costs as contrasted to original sales price or production costs. Generally speaking, utility costs are among the highest components of ongoing carrying costs.

Opportunities for additional energy conservation practices include the implementation of "mitigation measures" contained in environmental impact reports prepared on residential projects in the City of Huntington Beach. Mitigation measures to reduce energy consumption may be proposed in the appropriate section of environmental impact reports, prepared by or for the City of Huntington Beach. These mitigation measures may be adopted as conditions of project approval.

Some additional opportunities for energy conservation include various passive design techniques. Among the range of techniques that could be used for purposes of reducing energy consumption are the following:

- Locating the structure on the northern portion of the sunniest area on the site.
- Designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions.
- Locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, power core, and garages along the north face of the building to serve as a buffer between heated spaces and the colder north face.
- Making the main entrance a small, enclosed space that creates an air lock between the building and its exterior; orienting the entrance away from prevailing winds; or using a windbreak to reduce the wind velocity against the entrance.
- Locating window openings to the south and keeping east, west and north windows small, recessed, and double-glazed.

These and any other potential state-of-the-art opportunities could be evaluated within the context of environmental impact reports and/or site plan review. Feasible site planning and/or building design energy conservation opportunities then could be incorporated into the project design.

I. PREVIOUS ACCOMPLISHMENTS/HOUSING PLAN

Previous Accomplishments

State Housing Element law requires communities to assess the achievements under adopted housing programs as part of the update to their housing elements. These results should be quantified where possible (e.g. the number of units that were rehabilitated), but may be qualitative where necessary (e.g. mitigation of governmental constraints). These results then need to be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

The Huntington Beach 1989 Housing Element contains a series of housing programs with related quantified objectives grouped by the following issue areas: New Housing Construction; Assistance to Existing Units; Housing Services; Removal of Government Constraints; and Fair Housing. In addition, several programs were included in the Element that were under consideration by the City. The following section reviews the progress in implementation of these programs, the effectiveness of the element, and the continued appropriateness of identified programs. Each program/action from the 1989 element is included, with its prior reference number from the 1989 element. These numbers are not in sequence because the issue areas have changed since the previous element. The results of this analysis will provide the basis for developing the comprehensive housing program strategy presented in the final section of this Housing Element.

New Housing Construction - Programs

1. New Low-/Moderate-Income Housing

The City will continue to make available Redevelopment Agency owned property within the Talbert-Beach Redevelopment Project Area for construction of low- and moderate-income housing.

1989 Goal: Aid in the production of up to 200 senior and affordable units.

Program Status: In 1993, the Agency conveyed several small lots to facilitate development of 80 multiple-family units. Due to market demands, the overall development plan was changed. The Planning Commission approved 27 single-family units on the last vacant parcel in the area, to provide a total of 65 units in the project. Of the 65 units, a total of 22 affordable units will be provided.

2. Density Bonus Incentives

Pursuant to State law, if a developer allocates at least 20 percent of the units in a housing project to lower income households, 10 percent for very low-income households, or at least 50 percent for "qualifying residents" (e.g. senior citizens), the City must either a) grant a density bonus of 25 percent, along with one additional regulatory concession to ensure that the housing development will be produced at a reduced cost, or b) provide other incentives of equivalent financial value based upon the land cost per dwelling unit. In order to ensure the continued affordability of units provided under the program for a minimum of 30 years, the City will require that restrictive covenants be filed with the deed on all new density bonus projects and will bi-annually monitor these units.

As an additional incentive to increase the number of affordable units provided, the City can also offer to write down the development costs in exchange for the provision of additional affordable units. The number of additional units set aside is a proportionate percentage of the City's contribution to the overall construction costs for the project.

1989 Goal: Facilitate the development of 50 to 100 affordable units.

Program Status: In March of 1992, the City adopted its density bonus ordinance providing increases in density and other incentives for housing projects which provide housing units affordable to low- and very low-income households.

Since adoption of the 1989 Housing Element, the City has approved 113 affordable units using density bonus and incentive programs for affordable housing. Of these 113 units, 44 were never constructed due to revisions in the projects. However, additional units were required as conditions of approval on other tracts approved during this period. Since June 1989, a total of approximately 190 affordable units (32 very low-, 52 low-, and 106 moderate-income) have been approved and have been constructed/are under construction/required through covenant.

3. Land Assemblage and Write-Down

The City uses CDBG, HOME, and redevelopment set-aside monies to write down the cost of land for low- and moderate-income housing. The intent of this program is to reduce land costs to the point that it becomes economically feasible for a private (usually non-profit) developer to build units which are affordable to low- and moderate-income households. As part of the land write-down, the City may also assist in acquiring and assembling property and in subsidizing on- and off-site improvement costs.

1989 Goal: This is the same as the density bonus/incentives program above.

Program Status: The City has assisted in the acquisition of land for two affordable housing projects under this program. The first is a project by Habitat for Humanity and consists of the construction of three single family homes; the second is a twenty-one unit senior apartment complex (Bowen

Court). Both projects have received their entitlements for development, but neither has been constructed to date.

4. Technical Assistance

The City will provide technical assistance to aid private developers in expanding housing opportunities.

1989 Goal: Provide more opportunities for affordable housing.

Program Status: The City regularly provides developers with technical assistance regarding the permit/entitlement process, zoning, municipal codes, and other city requirements; as part of this assistance, developers are offered information on any known resources to assist them in meeting their affordable housing requirements or options which help to promote the City's affordable housing goals. Through this program, developers are also informed about the Housing Set-Aside, the Community Development Block Grant, and Home programs, as well as other financial resources, such as, affordable housing lenders and bonds.

5. Outreach Program

Continue the City's outreach program to solicit participation of private developers in affordable housing programs.

1989 Goal: Production of affordable units.

Program Status: The Departments of Economic and Community Development have a list of developers interested in doing affordable housing projects in or for the City of Huntington Beach or the Redevelopment Agency. The City (or Agency) draws from this list (along with other parties who respond to public notices and news releases) to solicit participation in the City's affordable housing programs. The Department of Economic Development also has a specialized developer list for the non-profit housing developer, and has qualified certain developers to be Community Housing Development Organizations (CHDOs) as required within the HOME program design.

6. Development Standards

The City will review its development standards for residential development to assess feasibility of reducing or relaxing the standards for affordable housing projects.

1989 Goal: Reduce housing construction costs.

Program Status: This is an ongoing effort which was partially satisfied with the adoption of the density bonus ordinance, and the Downtown Specific Plan which includes provisions for affordable housing.

7. "Fast Track" Procedure

The City will evaluate the feasibility of a "fast track" process for affordable housing projects.

1989 Goal: Reduce costs for affordable housing projects.

Program Status: The City is in the process of working on streamlining its development review process.

8. Tax-Exempt Mortgage Program

The City maintains an on-going program to provide tax-exempt mortgage financing for construction and permanent loans for multiple-family housing. The City sells bonds to provide the financing for the program. The income from the bonds is tax-exempt, which increases the effective net yield to the bond holder.

Federal law requires that 20 percent of the total units in a bond-financed project be reserved for lower income households.

1989 Goal: Provide mortgage financing for three projects for a total of approximately 300 housing units.

Program Status: As of 1993, the City issued multiple-family mortgage revenue bonds in the amount of \$76,865,000 to finance a total of 262 units affordable to lower income households. The City has not issued any additional bonds.

9. Specific Plans

The City will consider the use of specific plans to promote a balance between open space and housing to reduce the unit cost of housing.

1989 Goal: Reduce housing development costs.

Program Status: The use of specific plans is considered on a project-by-project basis. Most large vacant areas within the City either have a specific plan, or a specific plan is in the process of being prepared for the area. Specific plans can allow for reductions in housing development costs by allowing modifications to existing development standards.

10. Single Room Occupancy (SRO) Housing

The City will investigate the feasibility of an ordinance to permit SRO hotels as a mechanism for providing affordable housing.

1989 Goal: To facilitate the development of SROs.

Program Status: In 1991, the City adopted an ordinance to incorporate provisions for SRO/Living Units into the Huntington Beach Zoning Code. The ordinance establishes standards and procedures for establishing SRO projects in the non-residential districts of the City. To date, no applications for an SRO project have been submitted to the City.

11. "Gap" Financing

The City will encourage developers to pursue "gap" financing from the Orange County Housing Authority (OCHA), and for residential projects that include affordable units.

1989 Goal: Increase the supply of affordable housing units.

Program Status: No developers within Huntington Beach have applied for such financing. However, the City continues to encourage developers to pursue "gap" financing.

12. Vacant Land Inventory

The City will maintain an inventory of vacant land in the City and make it available to interested parties for use in identifying potential residential development sites.

1989 Goal: Provide information which could expedite residential development.

Program Status: In June of 1993, the City completed a vacant land survey, which was updated in August, 1996. As of this date, there were almost 214 acres of vacant land with no entitlements, which could accommodate 2,575 additional units. The City will continue to update this inventory.

13. Monitor Changes in Industrial and Commercial Land Uses

The City will monitor changes in industrial and commercial land uses to assess their impact on residential land use, and investigate the General Plan and zoning residential designations to determine where increased densities can be used to provide affordable rental units.

1989 Goal: Provide additional opportunities for affordable housing.

Program Status: As part of the General Plan update process, the City has been assessing the changes in industrial, commercial and residential land uses to identify trends in land use patterns in the City. This information has been used to amend the City's land use maps to address trends and accommodate housing needs.

14. Use of Vacated School and Park Sites for Affordable Housing

The City will investigate the feasibility of using vacated school and park sites and other publicly owned land for affordable housing.

1989 Goal: Provide approximately 776 units on vacant school sites.

Program Status: As of 1993, the City had a total of 553 acres occupied by schools. Some of these are vacant school sites.

Through the General Plan update, the City designated the school sites as Public (with various underlying designations). The 776 units that were the 1989 goal were projects in process at the time the 1989 Housing Element was prepared. However, these projects were not pursued, and, therefore, the 776 units have not been constructed. A total of 116 single-family units have been constructed on two vacated school sites (Bushard and Gill). These projects are providing 12 affordable units off-site.

15. Increased Residential Densities

The City will investigate General Plan and zoning designations to determine where increased densities can be used to provide affordable housing.

1989 Goal: Increase the number of suitable sites for affordable housing.

Program Status: Part of the General Plan update process has been to assess under used sites and sites which could accommodate higher density residential uses; where appropriate, the City amended its land use map to better meet its housing needs.

16. Identify Locations for Emergency Shelters/Transitional Housing

As part of the Zoning Ordinance update, identify appropriate zones for the location of transitional housing and emergency shelters for the homeless.

1989 Goal: Provide adequate sites for housing for the homeless.

Program Status: As part of the Zoning Code rewrite, the City adopted provisions allowing for transitional housing and homeless shelters as permitted uses in the commercial, industrial and public institutional zones in the City subject to a Conditional Use Permit.

17. Affordable Housing Monitoring

The City will develop an affordable housing monitoring program. The program will require the filing of restrictive covenants on affordable units for which City incentives have been provided. In addition, bi-annual monitoring of the units will be conducted to verify the income of the tenant, along with the continued affordability of the unit.

1989 Goal: Create an affordable housing covenant and monitoring process.

Program Status: The City has created affordable housing covenants for re-sale and rental units to facilitate the retention of affordable units required as conditions of approval on new housing projects. The City is working on a program to monitor older affordable projects approved with density bonuses or other incentives that have not been adequately monitored. The Department of Economic Development monitors the bond projects for compliance.

18. Establish Contact with Local Community Development Corporations

The City will establish contact with local community development corporations and other non-profit housing providers to encourage/facilitate affordable housing development in Huntington Beach.

1989 Goal: Increase opportunities for low- and moderate-income housing.

Program Status: The Redevelopment Agency has developed contacts with several non-profit organizations (such as the Orange County Community Housing Corporation; Jamboree Housing; Bridges of America; the Orange Housing Development Corporation; and American Housing) and reviews their housing development proposals.

Assistance to Existing Units/Households Programs

19. Handicapped Grant Program

Handicapped households have special needs for their units which can include access ramps, wider doorways, assist bars in bathrooms, lower cabinets and counters, and special access to upper floors. The City is working with the Dayle MacIntosh Center for the disabled to encourage owners of rental units to make some of their units available for accessibility modifications. The City uses CDBG funding to offer \$2,000 handicapped modification grants to multiple-family project property owners

to encourage modification of existing units. The 1989 Housing Element recommended that the City undertake more intensive marketing of this program to widen participation.

1989 Goals: Modification assistance to 10 rental units.

Program Status: Modification assistance has been provided to a total of six units since June, 1989.

20. Section 8 Rental Assistance Payments/Housing Certificates and Vouchers

The Section 8 rental assistance certificate program extends rental subsidies to low-income families and elderly who spend more than 30 percent of their income on rent. The subsidy represents the difference between the excess of 30 percent of the monthly income and the actual rent. The voucher program is similar to the certificate program except participants receive housing vouchers rather than certificates. Unlike the certificate program, participants are permitted to rent units beyond the federally determined fair market rent in an area provided the tenant pays the extra rent increment. The City of Huntington Beach contracts with the Orange County Housing Authority to administer the Section 8 certificate/voucher program.

1989 Goals: Provide additional rental subsidies to 238 households.

Program Status: There are currently a total of 850 vouchers and certificates in the City, thus the City exceeded its goal by over 50 certificates/vouchers. The City has no jurisdiction over how many households receive Section 8 assistance.

21. Shared Equity Program

Equity sharing allows lower income households to purchase a home by sharing the costs of home ownership with a sponsor, such as a local housing authority. The sponsor and buyer together provide the down payment and purchase costs to buy a house. When the house is sold, the equity earned through appreciation is split between the occupant and the sponsor according to an agreement made prior to purchase.

The City/Redevelopment Agency developed a shared equity program in which a loan pool was established using redevelopment set-aside funds for down payment assistance to qualifying low- and moderate-income first-time homebuyers. A Deed of Trust and affordable housing covenant will be secured against the property to ensure the unit will be owner-occupied and that the loan is paid back with a proportionate share of the equity at the time the property is sold or the title transferred. The covenant will designate the use for the longest feasible time, but not for less than ten years.

1989 Goal: Provide assistance to 25 to 30 low- and moderate-income first time home buyers annually.

Program Status: Between 1989 and 1996, 27 loans were been provided to low- and moderate-income households in conjunction with the Seaview Village project. This project is complete, and no additional downpayment assistance has been provided.

22. Rent Certificates

Provide rent certificates (through the rental rehabilitation program) and single-family rehabilitation loans for room additions to alleviate overcrowding.

1989 Goal: Provide adequate size housing for large families.

Program Status: The Federal Rental Rehabilitation Program was discontinued in the 1991-1992 Fiscal Year and has not been resumed.

23. Community and Neighborhood Enhancement

The Community and Neighborhood Enhancement Program is a comprehensive program designed to promote and assist in the upgrading of declining residential neighborhoods within the City. This program is designed to meet individual needs, to be responsive to the social and economic circumstances which exist within each neighborhood, to have strong resident and property owner support, and to be limited to a few priority areas so that the full benefit of a concentrated effort might be realized. The areas included in the Neighborhood Enhancement Program are Oakview, Washington Street, Amberleaf Circle, South Shores, Liberty, Oldtown, and Townlot neighborhoods. Rehabilitation loans are provided through the City Housing Rehabilitation Loan Program and formerly the Rental Rehabilitation Program. There is a continuing effort to provide housing rehabilitation assistance, combined with needed public improvements, to promote the renovation of existing units within these neighborhoods.

1989 Goals: Assist 100 units in the Oakview area; and rehabilitate 80 units in Amberleaf Circle, as well as initiate occupancy and maintenance standards for Amberleaf Circle.

Program Status: The 1989 goals were met. A total of 126 units occupied by very low-income households were assisted in the Oakview neighborhood. The Community and Neighborhood Enhancement Program goals were completed in the Amberleaf Circle neighborhood--all 76 of the substandard units have been rehabilitated, public improvements have been completed and all owners have executed a maintenance agreement with the City. Amberleaf Circle continues to be part of the Neighborhood Enhancement Program.

24. City-Wide Housing Rehabilitation Loan Program

This program uses CDBG funding to provide low interest loans to owners of residential properties including mobile homes. Deferred payment rehabilitation loans of up to \$10,000 are available to very low-income owner-occupied households. These loans are due and payable with a five percent one-time interest fee at the time of sale or transfer of ownership. The City also offers the following below market interest rate loans for residential rehabilitation: a) three percent loans available to lower income households; b) five percent loans available to median-income households within identified Community and Neighborhood Enhancement target areas for health and safety repairs only; and c) eight percent loans available to above-median income households with identified Community and Neighborhood Enhancement target areas for health and safety compliance repairs only. The maximum loan amount for a below market interest rate loan is \$15,000. The City also offers rehabilitation loans to income-qualified households in response to the City's code enforcement activities.

1989 Goals: Assist 80 single-family units annually.

Program Status: Since adoption of the 1989 Housing Element in June, 1989, the City has provided loans for the rehabilitation of 171 single family units, which is approximately 24 units per year. Of these units, 148 were affordable to very low-income households, and the remaining units were affordable to low-income households.

25. Rental Rehabilitation Program

The Rental Rehabilitation Program was a separately funded Federal program established to encourage the rehabilitation of substandard apartment buildings in targeted neighborhoods. Through this program, the City offered up to a 50 percent deferred loan toward the total cost of a rehabilitation project, with the balance financed through a loan at a six percent interest rate. The maximum loan amount was \$40,000. To qualify for a rental rehabilitation loan, at least 70 percent of the tenants in the building to be rehabilitated must have been low- or moderate-income.

In order to address potential displacement impacts resulting from increased rents in rehabilitated units, the City coupled the Rental Rehabilitation Program with its Rental Assistance Program. Low-income tenants in rehabilitated buildings were offered rent vouchers to ensure their housing costs would not exceed 30 percent of their gross monthly income.

1989 Goals: Assist 16 multiple-family units per year.

Program Status: Between June, 1989, and 1992, the City issued rehab loans for 139 multiple-family units. All of the households assisted were very low-income. This program was discontinued in FY 91-92.

26. Enforce Land Use Ordinances

The City will continue to actively enforce land use ordinances.

1989 Goal: Improved property maintenance throughout the City.

Program Status: This is an ongoing process.

27. Mobile Home Park Displacement

The City will meet and consult with mobile home owners who are potential displaces as the result of mobile home park conversions to other uses.

1989 Goal: Mitigate displacement impacts on mobile home park residents.

Program Status: This program has not been implemented, since there have been no conversions other than the Driftwood mobile home park. The gradual conversion of this park is occurring due to Redevelopment Agency activities. Mitigation of relocation impacts is being addressed through the Redevelopment Agency.

28. Financial Assistance for Displaced Residents

The City will provide financial assistance for relocation of persons displaced by redevelopment activities including occupants of mobile home parks.

1989 Goal: Mitigate impacts to displaced residents.

Program Status: The majority of housing displacement has occurred in the Main Pier Redevelopment Project Area or due to public improvement projects. Relocation benefits have been provided.

29. Monitor and Replace Affordable Units in the Coastal Zone

The City will continue to monitor and assure replacement of low- and moderate-income housing which is demolished or converted in the Coastal Zone.

1989 Goal: Conservation of affordable housing through replacement.

Program Status: There have been a total of 112 affordable units demolished in the Coastal Zone since June, 1989, and a total of 141 replacement units built.

30. Home Weatherization Improvements

The Community Development Council, a non-profit corporation, the Southern California Gas Company, and Southern California Edison offer a variety of energy conservation services designed to assist low-income, senior citizens, the handicapped, and non-English speaking customers to help them reduce energy consumption. Homeowners or renters may qualify for the following free weatherization improvements: attic insulation, weather stripping, caulking, water heater insulation blankets, water-saving showerheads, heating/cooling duct insulation, as well as other types of improvements that increase energy efficiency.

1989 Goals: Improve residential energy efficiency and related housing costs.

Program Status: This is an ongoing activity.

31. Code Enforcement

One of the primary objectives of the City's code enforcement program is to bring substandard housing units into compliance with City housing codes. The code enforcement program is operated through the City's Community Development Department.

1989 Goals: Expand the code enforcement program.

Program Status: Due to citizen complaints and community concerns regarding deterioration within the City, the code enforcement program has been expanded from 3 ½ inspectors in 1989 to five full-time field inspectors, one part-time abandoned vehicle inspector, and one part-time business license enforcement inspection. This staffing level enables the Community Development Department to respond to the average monthly caseload of 625 code complaints. Code enforcement is an ongoing activity in the City. Two Code Enforcement officers are funded using CDBG funds.

32. Interest Rate Write-Downs for Existing Affordable Housing

The City of Huntington Beach has a number of affordable multiple-family housing projects that were built with the assistance of federal, state, or redevelopment set-aside monies, and/or that were given density bonuses or other non-monetary incentives. Some of these units have the potential to convert to market rate housing, because of expiration of the federal loan, expiration of the Section 8 contract, or expiration of other affordability controls. The City will develop a Multiple-Family Unit Interest Rate Write-Down Program that will offer a lump sum write-down of an existing interest bearing note to reduce debt service on existing multiple-family apartment complexes. In return for the write-down, the property owner will execute with the City a recorded covenant requiring the continuation of affordable rental rates to low- and moderate-income households for a minimum of 15 years.

A second approach to conserving existing affordable units would be for a non-profit developer to purchase subsidized projects at their market value with financing provided by tax-exempt multiple-family revenue bonds issued by the City. The rating of these tax-exempt securities could be enhanced by pledge of the redevelopment housing set-aside funds, HOME, or other funds, thus reducing the net interest cost of the mortgage loan.

1989 Goals: Conservation of existing stock of publicly-subsidized affordable housing.

Program Status: Due to limitations on funding, this program has not been pursued. The City may still be interested in providing interest rate write-downs in conjunction with the two remaining bond projects at-risk of losing affordability controls - Seabridge Villas and Huntington Breakers.

33. Condominium Conversion Ordinance

The City has adopted a stringent Condominium Conversion Ordinance that requires converted units to conform to the requirements of the City's Planned Unit Development (PUD) Ordinance. Since most existing multiple-family housing units have been developed to standards that generally require substantially less open space and parking than that required under the PUD Ordinance, these requirements serve as a significant disincentive for condominium conversions. The City will amend the ordinance to allow less stringent requirements for condominium conversions if a portion of the units are set aside for low- and moderate-income households.

1989 Goals: Regulate the conversion of rental to ownership units to allow for mitigation of impact to affordable rental housing stock.

Program Status: As part of the Zoning Code rewrite, the City has adopted revisions to its Condo Conversion Ordinance to allow modified requirements if a portion of the units are set aside for low- and moderate-income households.

Housing Services Programs

34. Support Dayle MacIntosh Center

The City will provide coordination and financial support to the Dayle MacIntosh Center to maintain directory of accessible housing.

1989 Goal: Assist handicapped persons locate appropriate housing.

Program Status: The City contributed CDBG funds to the Dayle MacIntosh Center during five years since 1989.

35. Housing Accessibility

The City will fund rehabilitation loans to make housing accessible to handicapped persons.

1989 Goal: Provide modification assistance to 10 owner-occupied units.

Program Status: The City provided modification assistance to a total of six units since June, 1989.

36. State Mortgage Bond Allocation Committee

The City will apply to State Mortgage Bond Allocation Committee to provide below market rate financing for moderate-income first-time homebuyer households.

1989 Goal: Increase the share of the housing stock affordable to first-time home buyers.

Program Status: The City has participated in the mortgage credit certificate program since 1994. Since that time, the City has assisted 22 moderate-income households purchase their homes.

37. Ensure Eligibility of Housing Assistance Recipients

The City contracts with the Orange County Housing Authority (OCHA) to screen and verify incomes of potential participants in Section 8 housing assistance programs.

1989 Goal: Ensure that eligible recipients are occupying affordable housing.

Program Status: This is an ongoing activity.

38. Project Self-Sufficiency

The Project Self-Sufficiency Program goal is to allow people to become independent of government subsidies and be self-sufficient. To meet this goal, the program was awarded housing assistance in the form of Section 8 housing vouchers to low-income, single parents who are either currently homeless or at risk of becoming homeless. The project also has access to a nine-unit apartment which houses nine low-income single-parent families. Three of these units are owned and operated by Orange County Community Housing Corporation (OCCHC). The program also matches the parent with the appropriate agencies in the community to receive needed items such as food, clothing, childcare and job training. The program is funded with CDBG grants and private sector donations which are raised by the Project Self-Sufficiency Foundation.

1989 Goals: Prevent additional single-parent households from becoming homeless.

Program Status: Since July 1, 1989, the City has assisted a total of 550 households through this program. In addition, the City helped address 6,500 crisis intervention inquiries by low income single-parent households. The program no longer receives Section 8 housing vouchers and certificates directly. The City has dedicated a nine-unit apartment complex for Project Self-Sufficiency families. The program encourages self-sufficiency through the achievement of educational and job retention goals.

39. Homeless Services

The City offers financial assistance to local groups which provide services to the area's homeless population.

1989 Goal: Address the needs of the City's homeless through provision of CDBG funds.

Program Status: The City supports non-profit agencies servicing the homeless through the CDBG program. The City is a participant in the County's Continuum of Care strategy to assist homeless persons.

40. Home Sharing

An ongoing City-funded shared housing program is offered at Roger's Senior Center in Huntington Beach. Roommate matches are made between seniors based on telephone requests. The City will undertake more active marketing to better advertise the program's availability to seniors in the community. The City will also investigate developing a pilot project to match residents of different age categories and linking with the Project Self-Sufficiency Program (see below).

1989 Goals: Provide approximately 30 to 40 roommate matches per year during the 1989 to 1994 period.

Program Status: Since June 30, 1989, the City has assisted in placing a total of approximately 373 people. The City exceeded its program goal, but no longer participates in the program.

41. Assess Cumulative Impact on Community Facilities

The City will review all changes in land uses to determine the cumulative impact on community facilities.

1989 Goal: Assure adequate community facilities and services for development in the City.

Program Status: This is an ongoing activity that is addressed through policies of the General Plan which encourage improvement and upgrade of current facilities and services to adequately accommodate existing and new development.

42. Energy Conservation and Recycling

Include provisions for energy conservation measures and for recycling space within multiple-family residential developments through the Zoning Code update.

1989 Goal: Reduce energy consumption.

Program Status: The recycling area provisions were not pursued, since the City operates its own facility that sorts all refuse/recyclables after they are collected. The energy conservation measures that are implemented are those required through Title 24, and, therefore, there is no need to include them in the City's Zoning Code.

43. Solar Access

Review the Zoning Code and other policies to address solar access.

1989 Goal: Energy conservation through preserving solar access.

Program Status: Although not actively required, the City does have a policy to address the issue of solar access.

Removal of Government Constraints Programs

44. Handicap Accessibility

Implement State and Federal laws for handicap accessibility.

1989 Goal: Provide greater supply of handicap accessible units.

Program Status: The City adopts and implements State and Federal handicap accessibility laws on an ongoing basis. However, no inventory of handicap accessible units is kept. Therefore, the number of accessible units provided is unknown.

45. Provision of Day Care in Residential Zones

Review the City's subdivision ordinance to identify any unnecessary restrictions related to provision of day care in residential zones.

1989 Goals: Facilitate opportunities for providing day care services to assist single parent and family households.

Program Status: This was completed as part of the Zoning Code rewrite which was adopted in November of 1994.

46. Consistency Between Municipal Code and Housing Element

The City will review Division 9 of the Municipal Code to ensure it reflects Housing Element policies and programs while maintaining adequate standards for development.

1989 Goal: To ensure consistency between the Housing Element and Zoning Code.

Program Status: This was completed as part of the Zoning Code rewrite. However, the Zoning Code and Housing Element will need to be reevaluated as the two documents are amended from time to time.

Fair Housing Programs

47. Fair Housing Services

Retain the Orange County Fair Housing Council (OCFHC) to provide assistance with addressing fair housing complaints.

1989 Goal: Resolution of fair housing issues as they arise.

Program Status: This is an ongoing activity. Since June, 1989, the OCFHC has resolved or heard a total of 14,375 fair housing complaints.

Summary of Appropriateness of 1989 Housing Element Programs

The Element's overall intent of providing for housing construction, rehabilitation, and conservation remain highly appropriate for the current Housing Element.

The following programs achieved their targeted goals:

2. *Density Bonus Incentives* - Since adoption of the 1989 Housing Element, the City has approved 190 affordable units using density bonus and incentives programs for affordable housing.
8. *Tax-Exempt Mortgage Program* - As of 1993, the City issued multiple-family mortgage revenue bonds to finance a total of 262 affordable housing units.
10. *Single Room Occupancy (SRO) Housing* - In 1991, the City adopted an ordinance to incorporate provisions for SRO/Living Units.
13. *Monitor Changes in Industrial and Commercial Land Uses* - As part of the General Plan process, the City has been assessing the changes in industrial, commercial and residential land uses to identify trends in land use patterns in the City.
15. *Increased Residential Densities* - Part of the General Plan update process has been to assess underused sites and sites which could accommodate higher density residential uses; where appropriate, the City amended the land use map to better meet its housing needs.
18. *Establish Contact with Local Community Development Corporations* - The Redevelopment Agency has developed contacts with several non-profit organizations and reviews their housing development proposals.
19. *Handicapped Grant Program* - Modification assistance has been provided for a total of six owner-occupied units since June, 1989.
21. *Shared Equity Program* - Between 1989 and 1996, 27 loans have been provided to low- and moderate-income households in conjunction with the Seaview Village Project.
23. *Community and Neighborhood Enhancement* - A total of 126 units occupied by very low-income households were assisted in the Oakview neighborhood. The Community and Neighborhood Enhancement Program goals for 1989 were completed in the Amberleaf Circle Neighborhood -- all 76 substandard units were rehabilitated, public improvements were completed, and all owners have executed a maintenance agreement with the City.
24. *City-Wide Housing Rehabilitation Loan Program* - Since June, 1989, the City has provided for rehabilitation of 171 single-family units.

25. *Rental Rehabilitation Program* - Between June 1989 and 1992, the City issued rehabilitation loans for 139 multiple-family units. The program was discontinued in FY 1991-1992.
29. *Monitor and Replace Affordable Units in the Coastal Zone* - There have been a total of 112 affordable units demolished in the Coastal Zone since June, 1989, and a total of 141 replacement units built.
31. *Code Enforcement* - The code enforcement program has been expanded to provide six full-time inspectors, one part-time abandoned vehicle inspector, and one part-time business license enforcement inspector.
33. *Condominium Conversion Ordinance* - As part of its Zoning Code rewrite, the City has adopted revisions to its Condo Conversion Ordinance to allow modified requirements if a portion of the units are set aside for low- and moderate-income households.
34. *Support Dayle MacIntosh Center* - The City contributed CDBG funds to the Center during five years since 1989.
35. *Housing Accessibility* - The City provided modification assistance to owner-occupied six units since June, 1989.
36. *State Mortgage Bond Allocation Committee* - The Redevelopment Agency has participated in the mortgage credit certificate program since 1994. Since that time, the City has assisted 22 moderate-income households purchase their homes.
38. *Project Self-Sufficiency* - Since July 1, 1989, the City has assisted a total of 550 households through this program.
39. *Homeless Services* - The City supports non-profit agencies serving the homeless through the CDBG program, and participates in the County's Continuum of Care strategy.
40. *Home Sharing* - Since June 30, 1989, the City has assisted in placing a total of approximately 373 people.
45. *Provision of Day Care in Residential Zones* - This was completed as part of the Zoning Code rewrite, which was adopted in November, 1994.
46. *Consistency Between Municipal Code and Housing Element* - This was completed as part of the Zoning Code rewrite.

The following programs have not been implemented due to staffing and/or funding deficiencies, or are still in the implementation process.

7. *"Fast Track" Procedure* - The City is in the process of streamlining its development review process.
17. *Affordable Housing Monitoring* - The City is working on a program to monitor older affordable projects approved with density bonuses or other incentives.
32. *Interest Rate Write-Downs for Existing Affordable Housing* - Due to lack of funding, this program has not been pursued.
42. *Energy Conservation and Recycling* - The recycling area provisions were not pursued since the City operates its own facility that sorts all refuse/recyclables after they are collected.

The following programs did not meet their goals due to changes in the market.

1. *New Low-/Moderate-Income Housing* - Due to market demand, the 80 units that were originally planned were changed to 65 units, and of the 65, 22 will be affordable housing.
14. *Use of Vacated School and Park Sites for Affordable Housing* - The 776 units that were identified as the 1989 goal were projects in process at the time the 1989 Housing Element was prepared. These projects were not pursued. A total of 116 single-family units have been built on two vacated school sites. These projects provide 12 affordable units off-site.

Share of Region's Housing Needs

State law requires jurisdictions to provide for their share of regional housing needs. The 1988 Regional Housing Needs Assessment (RHNA) for Huntington Beach was developed by SCAG. Regional growth needs are defined as the number of units that would have to be added in each jurisdiction to accommodate the forecasted growth in the number of households by June 30, 2000, as well as the number of units that would have to be added to compensate for anticipated demolitions and changes to achieve an "ideal" vacancy rate of 3.14 percent.

Huntington Beach's total regional housing growth need for the 1989-2000 period is 6,228 units. This total is further allocated among HUD's four income groups to identify the types of households to be provided for as follows:

984	Very Low-Income (0-50% of Co. median income)	-
1,264	Low-Income (51-80% of Co. median income)	-
1,370	Moderate-Income (81-120% Co. median income)	-
2,610	Upper-Income. (>120% of Co. median income)	-

Between July, 1989, and August, 1997, a total of 1,599 new housing units have been constructed in Huntington Beach. Table HE-26 provides a comparison of the number of housing units constructed since the 1989 Housing Element was adopted (i.e., the period between July, 1989 and August, 1997),

compared to the total regional housing growth need for the 1989-1998 period. The table shows that, for all income categories, a shortfall of 4,629 units remains in comparison to projected regional housing needs. However, the 1988 RHNA was developed prior to the economic recession that started in the late 1980s, and continues to the present. Because of the recession, the housing market has been depressed, and most urbanized jurisdictions in the SCAG region have fallen significantly short in housing production compared with the RHNA projections.

Table HE-27 shows the number of units by income category that are either approved but not yet constructed, or are pending approval. A total of 902 units¹ are anticipated to be constructed by June 30, 1999, leaving a RHNA shortfall of 3,727 units: 929 very low-, 1,212 low-, 1,161 moderate-, and 425 upper-income.

The site inventory analysis contained in this Housing Element demonstrates the City's remaining capacity for new residential development. The City has zoning in place to accommodate a total of 3,312 additional units including 2,575 units on vacant land, 363 units in the Downtown Specific Plan, and a net increase of 374 units on underutilized sites. An additional 2,359 units already have entitlements or are pending approval, as referenced in Table HE-27. The site inventory includes vacant land with no entitlements, and land that is developed, but at a lower density than is allowed. Regarding sites with higher densities that could accommodate lower income households with market rate housing, there are a total of 68 acres designated for densities ranging from 25 to 35 units per acre that could accommodate up to 1,900 units.

The City intends to make a good faith effort to meet the housing needs of its very low-, low-, and moderate-income households. The City will continue to assist in the development of lower and moderate income affordable housing through Housing Element programs, including various regulatory and monetary incentives to facilitate development. Through these incentives, Huntington Beach will make every effort to address its housing needs for very low-, low- and moderate-income households during this Housing Element cycle.

¹ This includes vacant land with entitlements, and vacant land with development applications pending.

TABLE HE-26
1989-1998 REGIONAL HOUSING GROWTH NEEDS
COMPARED TO UNITS CONSTRUCTED BETWEEN
JULY, 1989 AND AUGUST, 1997

Income Category	Regional Housing Needs	Number of New Units Constructed	Remaining Units to be Constructed
Very Low	984	32	952
Low	1,264	52	1,212
Moderate	1,370	130	1,240
Upper	2,610	1,385	1,225
Total	6,228	1,599	4,629

Source: 1988 SCAG Regional Housing Needs Assessment;
City of Huntington Beach Planning Department.

Note: The above figures include 18 low and 47 moderate income units which will be provided through off-site rehabilitation.

TABLE HE-27
HOUSING UNITS ANTICIPATED TO BE CONSTRUCTED
BY JUNE 30, 1999

Income Category	Housing Projects Approved - Not Yet Constructed ¹	Housing Projects Pending Approval ²	Total Anticipated to be Constructed by June 30, 1999 ³	Net Need [Remaining RHNA Units to be Constructed (Table HE-26) Less Total Anticipated to be Constructed]
Very Low	23	0	23	929
Low	0	0	0	1,212
Moderate	75	130	79	1,161
Upper	478	1,653	800	425
Total	576	1,783	902	3,727

Source: City of Huntington Beach Planning Department, as of August, 1997.

¹ Approved housing project information subtracts out 8 very low and 28 moderate income units which will be provided through off-site rehabilitation.

² Projects pending approval subtracts out 41 projected moderate income units which are anticipated to be provided through off-site rehabilitation.

³ Units anticipated to be constructed by June 1999 subtracts out 8 very low and 36 moderate income units which are expected to be provided off-site.

Funding Sources For Affordable Housing

There are three main funding sources for affordable housing in Huntington Beach:

- *Redevelopment Set-Aside* - Twenty percent of the tax increment from the redevelopment project areas is required to be used for affordable housing;
- *Community Development Block Grant (CDBG)* - This is a yearly allocation funded by the federal government; and
- *HOME Investment Partnership Program (HOME)* - This is also a federally funded program.

Redevelopment Set-Aside. Redevelopment law requires redevelopment agencies to reserve 20 percent of the tax increment collected annually for the purpose of providing affordable housing. Redevelopment agencies are also required to allocate 15 percent of the units produced in a project area for low-/moderate-income households.

As required by law, the Huntington Beach Redevelopment Agency has a housing compliance plan for all project areas which specifies the estimated number of housing units for very low-, low-, moderate-, and upper income that will be produced over the next five years. The plan also specifies how the 20 percent tax increment set-aside monies will be spent.

An *Affordable Housing Strategy* has been prepared for the City's Redevelopment Agency for the time period between FY 1996-1997 and FY 2000-2001. The strategy addresses the affordable housing production requirements for the City as a whole, as well as the redevelopment project areas. The agency's housing production requirements and replacement housing obligation are addressed in the Housing Plan.

Other potential funding sources for affordable housing include Housing Opportunities for Persons with AIDS, the Emergency Shelter Grant Program, the Youth Housing/ Employment Program, and Homeless Assistance. Each of these is described below.

Housing Opportunities for Persons with AIDS (HOPWA). HOPWA is an entitlement and competitive grant for long-term, comprehensive housing assistance and supportive services for low-income people with HIV/AIDS and their families. Allowable activities include property acquisition, residential rehabilitation, and support services. The City will also support the applications of non-profits, and will consider partnerships with non-profits as appropriate. City staff is participating with the Department of Housing and Community Development, County of Orange, in its application for HOPWA funds under the Continuum of Care HUD competitive grant process.

Emergency Shelter Grant Program (ESG). Grants are for the purpose of improving the quality of existing shelters and to increase the number of new shelters for the homeless. Funds are awarded to local non-profits through the County, and the City is supportive of non-profits applications for

funding. Activities include homeless assistance in the form of property acquisition, new construction, rehabilitation, conversion, and support services. City staff is participating with Orange County in its Continuum of Care Strategy, much of which is funded through the ESG Program.

Youth Housing/Employment Program. This program employs economically disadvantaged youth and helps them obtain education, employment skills, and hands-on work experience in the home building industry constructing and rehabilitating affordable housing. The City will monitor the availability of funds for this program, and will consider supporting a non-profit agency making such an application for funding.

Homeless Assistance. The City would be supportive of a non-profit agency making such application for the funding. The City monitors the Notices of Funding Availability (NOFAs) issued by the Department of Housing and Urban Development (HUD) and the County so that the City can respond, and participates in the County's Continuum of Care Strategy.

Community Development Block Grant (CDBG). The City receives a yearly allocation of CDBG funds from the federal government. In Huntington Beach, the CDBG monies have been used for rehabilitation loans and grants, fair housing services, and agreements with Habitat for Humanity and Orange Housing Development Corporation for the creation of affordable housing.

HOME Investment Partnership Program (HOME). The HOME Program is a federal program intended to expand and preserve the affordable housing supply for very low- and low-income households. Eligible activities include housing rehabilitation, acquisition, new construction, rental assistance and first-time homebuyer assistance. The regulations require that a minimum of 15 percent of the HOME funds must be awarded to special housing non-profits known as Community Housing Development Organizations (CHDOs). Huntington Beach is using its HOME funds for the acquisition of multiple-family projects in need of rehabilitation; developing partnerships with CHDOs and other non-profit housing developers; and to provide gap financing for non-profit housing partners with secured partial financing commitments from conventional lenders.

GOALS, OBJECTIVES, AND POLICIES

The previous sections of the Housing Element establish the housing needs, opportunities and constraints in the City of Huntington Beach. This section sets forth the City's goals, objectives, and policies to address Huntington Beach's identified housing needs and housing priorities.

The City of Huntington Beach adopted a series of goals and policies as part of its 1989 Housing Element Update to guide the development and implementation of its housing program. As part of the current Housing Element Update, these adopted goals and policies have been evaluated in terms of their effectiveness and actual results in implementation. In addition, the adopted goals and policies were reviewed in terms of their appropriateness in addressing the housing needs identified in this Housing Element Update. The following goals, objectives and policies will serve as a guide to City officials in daily decision making.

The City of Huntington Beach has adopted three overall goals for its housing program which are consistent with State and Regional housing policies. These goals are:

1. The attainment of decent housing within a satisfying living environment for households of all socioeconomic, racial, and ethnic groups in Huntington Beach;
2. The provision of a variety of housing opportunities by type, tenure, and cost for households of all sizes throughout the City; and
3. The development of a balanced residential environment with access to employment opportunities, community facilities, and adequate services.

In order to attain these general goals, the City has committed to specific goals, policies and programs. The policies are organized around five areas of concern which are identified by the State Department of Housing and Community Development (HCD) as important priorities in addressing local housing problems. These areas of concern are: 1) conservation of existing affordable housing; 2) provision of adequate sites for housing; 3) assistance with development of affordable housing; 4) removal of government constraints; 5) provision of equal housing opportunity; and 6) promotion of energy conservation. This section describes the specific goals, objectives, and relevant policies within each area of concern.

Existing Affordable Housing

Goal

HE 1

Conserve and Improve Existing Affordable Housing in Huntington Beach.

Objective

HE 1.1 Retain and expand the supply of sound housing at prices affordable to all segments of the community through conservation of the currently sound housing stock, and rehabilitation of deteriorated units.

Policies

HE 1.1.1 Encourage the retention of adequate numbers of mobile homes. *(I-HE 5, LU 15.6)*

HE 1.1.2 Continue to enforce the City's mobile home conversion ordinance. *(I-LU 1)*

HE 1.1.3 Encourage the maintenance and repair of existing owner-occupied and rental housing to prevent deterioration of housing in the City. *(I-HE 5-10, I-HE 16, I-LU 19, I-LU 22)*

HE 1.1.4 Encourage the rehabilitation of substandard and deteriorating housing where feasible. *(I-HE 5-10, I-HE 16, I-LU 16, I-LU 19, I-LU 22)*

HE 1.1.5 Where possible, take action to promote the removal and replacement of those substandard units which cannot be rehabilitated. *(I-LU 16, I-LU 19, I-LU 22)*

HE 1.1.6 Provide and maintain an adequate level of community facilities and municipal services in all community areas. *(I-HE 4, RCS 1, I-RCS 7, I-PF 2, and I-PF 13)*

HE 1.1.7 Improve and upgrade community facilities and services where necessary. *(I-HE 4, I-RCS 7, I-PF 2, and I-PF 13)*

HE 1.1.8 Encourage compatible design to minimize the impact of intensified reuse of residential land on existing residential development. *(I-HE 18, LU 9.2.1, and I-LU 1)*

HE 1.1.9 Encourage preservation of the existing low density residential character in established single-family neighborhoods. *(I-HE 18, I-LU 9.2.1 and I-LU 1)*

HE 1.1.10 Promote and, where possible, require the continued affordability of all units produced or rehabilitated with participation by the City or its authorized agents, including affordable units produced through density bonuses and tax exempt financing. *(I-HE 11, I-HE 16, I-HE 20 and I-HE 25-29)*

- HE 1.1.11** Regulate the conversion of existing apartment units to condominiums to minimize the adverse impact of conversions on the supply of low and moderate income rental housing, while recognizing that condominiums can offer affordable opportunities for home ownership. *(I-HE 13 and I-LU 1)*
- HE 1.1.12** Mitigate the displacement impacts occurring as a result of residential demolition through unit replacement or relocation of tenants. *(I-HE 14, I-HE 15, and I-LU 16)*
- HE 1.1.13** Conserve affordable housing opportunities in the Coastal Zone through implementation of State requirements for replacement of low- and moderate-income housing, and for inclusion of affordable units where feasible in new residential construction. *(I-HE 15)*
- HE 1.1.14** Attempt to preserve low-income housing in the City that is at risk of converting to market rate by monitoring the status of prepayment-eligible and bond-financed projects, and identifying financial and organizational resources available to preserve these units. *(I-HE 11)*
- HE 1.1.15** Pursue a program that would offer developers an opportunity to purchase "at-risk" units as a means of satisfying affordable housing requirements that may be conditioned on their projects. *(I-HE 11, I-HE 16)*

Adequate Sites

Goal

HE 2

Provide Adequate Housing Sites.

Objective

- HE 2.1** Provide appropriate zoning and regulatory incentives to facilitate the production of 31 very low, 115 moderate, and 800 upper income units through the remainder of this planning period.

Policies

- HE 2.1.1** Take advantage of existing infrastructure and public improvements to provide additional affordable housing by allowing second units in single-family zoning districts. *(I-HE 20)*
- HE 2.1.2** Facilitate the development of mixed-use projects containing residential and non-residential uses which can take advantage of shared land costs to reduce the costs of land for residential uses through General Plan designation and the Specific Plan process. *(LU 11.1 and I-LU 4)*

- HE 2.1.3** Use the following general criteria for identifying and evaluating potential sites for affordable housing and for the elderly and handicapped. While compliance with these criteria is preferable, no site shall be dismissed for failure to meet these criteria and shall be judged on its own merit. Sites should be:
- located with convenient access to arterial highways and public transportation, schools, parks and recreational facilities, shopping areas, employment opportunities;
 - adequately served by public facilities, services, and utilities;
 - minimally impacted by seismic and flood hazards. Where such hazards cannot be avoided, adequate mitigation measures shall be incorporated into the design of all proposed development;
 - minimally affected by noise and blighted conditions; and
 - located outside areas of predominantly lower income concentrations.
- (I-HE 20 and I-HE 21, and LU 9.5.1)*
- HE 2.1.4** Plan for residential land uses which accommodate anticipated growth from new employment opportunities. *(I-HE 17 and LU 1)*
- HE 2.1.5** Locate residential uses in proximity to commercial and industrial areas and transportation routes to provide convenient access to shopping and employment centers. *(LU 2.1.1, LU 2.1.4, and CE 3.1.1)*
- HE 2.1.6** Promote the rezoning of vacant or recyclable parcels of land to higher densities where compatible with surrounding land uses and available services in order to lower the cost of housing. *(I-HE 17 and I-HE 18)*
- HE 2.1.7** Use surplus park and/or school sites for residential use where appropriate and consistent with the City's General Plan. *(I-HE 19, LU 13.1.6, LU 13.1.7 and I-LU 25)*
- HE 2.1.8** Permit the development of manufactured housing in single-family zones, and accommodate the maintenance or development of mobile home parks through the City's Manufactured Housing Overlay Zone. *(LU 15.6.1)*

Development of Affordable Housing

Goal

HE3

Assist in Development of Affordable Housing.

Objective

HE 3.1 Facilitate the development of housing for low and moderate income households which is compatible with and complements adjacent uses and is located in close proximity to public and commercial services.

Policies

- HE 3.1.1** Encourage the provision and continued availability of a range of housing types throughout the community, with variety in the number of rooms and level of amenities. *(I-HE 16, I-HE 20 - 30, I-LU 9, and LU 9.1.1)*
- HE 3.1.2** Encourage both the private and public sectors to produce or assist in the production of housing with particular emphasis on housing affordable to lower income households, as well as the needs of the handicapped, the elderly, large families and female-headed households. *(I-HE 20 - I-HE 25, I-HE 27, I-HE 29, I-HE 30 and LU 9.5.1)*
- HE 3.1.3** Use incentives where feasible to encourage the production of low- and moderate-income housing. *(I-HE 3, I-HE 21, and I-HE 25)*
- HE 3.1.4** Encourage alternative forms of home ownership, such as shared equity ownership, shared living units, and other housing arrangements to make housing more affordable. *(I-HE 1, I-HE 2)*
- HE 3.1.5** Encourage the development of child care facilities with new housing development through conditions on project approval at the CUP or environmental level. Review the City's Zoning Ordinance to identify any unnecessary restrictions related to the provision of family day care and child care facilities in residential zones. *(I-LU 13.1.3, I-LU 13.1.6 and I-RCS 2)*
- HE 3.1.6** Promote the adoption of development standards which reduce housing costs, while ensuring that any adverse impacts are minimized when increasing densities or relaxing standards. *(I-HE 31 - I-HE 34)*
- HE 3.1.7** Review all regulations, ordinances, departmental processing procedures, and residential fees related to rehabilitation and/or construction to assess their impact on housing costs, and revise as appropriate. *(I-HE 32 - I-HE 33, and I-LU 22)*

- HE 3.1.8** Provide the management and personnel resources necessary to carry out identified housing programs and responsibilities. *(I-PF 1, I-PF 2, and I-PF 13)*
- HE 3.1.9** Continue and expand use of Federal and State housing assistance programs. *(I-HE 1 - I-HE 12, I-HE 14, I-HE 20, I-HE 21, I-HE 24, I-HE 25, I-HE 26, I-HE 27, I-HE 39)*
- HE 3.1.10** Promote the availability of sufficient rental housing to afford maximum choice of housing types for all economic segments of the community. *(I-HE 16, I-HE 20 - I-HE 30, and LU 9)*
- HE 3.1.11** Review the City's condominium conversion ordinance, and consider revising to allow modified requirements for units which are set aside for low- and moderate-income households. *(I-HE 13 and I-HE 14)*
- HE 3.1.12** Continue to coordinate with local social service providers and notify them of available City funding to address the needs of the City's homeless population. *(I-HE 40)*
- HE 3.1.13** Encourage the provision of alternative housing through replacement housing and/or relocation for low or moderate income households displaced by public or private development. *(I-HE 14, I-HE 15)*
- HE 3.1.14** Investigate the development of single room occupancy (SRO) hotels to provide housing opportunities for very low-income residents. *(I-HE 33 and LU 9.5.1)*

Remove Constraints

Goal

HE4

Remove Governmental Constraints.

Objective

- HE 4.1** Mitigate any potential governmental constraints to housing production and affordability.

Policies

- HE 4.1.1** Evaluate the City's General Plan policies to ensure they do not present any unreasonable constraints to the development of affordable housing or fair housing goals. *(I-HE 34, and I-HE 35)*

- HE 4.1.2** Provide for a wide variety of housing types for different income levels and household needs. *(I-HE 1 - I-HE 3, I-HE 5 - I-HE 7, I-HE 12 - I-HE 16, I-HE 20 - I-HE 30, I-LU 9, and LU 9.5.1)*

Equal Housing

Goal

HE5

Provide Equal Housing Opportunity.

Objective

- HE 5.1** Promote equal housing opportunity for all residents to reside in the housing of their choice.

Policies

- HE 5.1.1** Affirm a positive action posture to assure that unrestricted access to housing is available to the community. *(I-HE 35 - I-HE 37)*
- HE 5.1.2** Promote housing which meets the special needs of handicapped and elderly persons., as well as housing facilities for drug and alcohol rehabilitation, and for persons with AIDS. *(I-HE 20, I-HE 21, I-HE 31, I-HE 38, I-HE 39, and I-LU 9.5.1)*
- HE 5.1.3** Encourage the provision of adequate numbers of housing units to meet the needs of families of all sizes. *(I-HE 1 - I-HE 3, I-HE 5 - I-HE 7, I-HE 12 - I-HE 16, 21, I-HE 20 - I-HE 30, I-LU 9, and LU 9.5.1)*

Energy Conservation

Goal

HE6

Promote Energy Conservation

Objective

- HE 6.1** Reduce residential utility costs through promoting energy conservation.

Policies

- HE 6.1.1** Encourage the use of energy conservation devices and passive design concepts which make use of the natural climate to increase energy efficiency and reduce housing costs. *(I-HE 49, I-HE 50, I-ERC 1 and I-U 7)*

- HE 6.1.2** Encourage housing unit retrofitting through public education, including attic insulation and weatherstripping, concurrent with improvements to the dwelling. (*I-HE 49, I-HE 50, I-U 2, I-U 7, and I-LU 22*)
- HE 6.1.3** Investigate the feasibility of the use of renewable energy sources (e.g., solar) for hot water, space, and pool heating of larger housing developments. (*I-HE 49 and I-HE 50*)
- HE 6.4.** Encourage deed restrictions that protect solar access in new development. (*I-HE 49*)
- HE 6.5.** Continue to encourage alternative forms of transportation, such as buses, bicycles, and walking. (*I-ERC 5.1.3, I-ERC 1, I-CE 4.1.1, I-CE 4.1.2, I-CE 1, I-CE 2, I-CE 3, I-CE 8, I-AQ 1, I-AQ 3 and I-AQ 4*)

IMPLEMENTATION PROGRAMS

The goals, objectives and policies contained in the Housing Element address Huntington Beach's identified housing needs and are implemented through a series of housing programs and activities. Housing programs and activities described below define the specific actions the City will take to achieve specific goals, objectives and policies. These descriptions also include program goals for the 1998-2000 planning period.

The Housing Program Summary Table HE-29, located at the end of this section, summarizes the goals of each housing program through June 30, 2000, along with identifying the program funding source, responsible agency, and time frame for implementation.

ISSUE AREA: CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING

I-HE 1. Down Payment Assistance Program - Existing Program

Program Description: The City will continue to implement a shared equity program on a project by project basis to provide down payment assistance to moderate-income first time home buyers.

Objective: Increase home ownership opportunities for moderate-income households.

Two-Year Goal: Assist 10 moderate-income first time home buyers.

Agency Responsible for Implementation: Economic Development Department

Funding Source: Redevelopment Set-Aside.

Time Frame: Ongoing.

I-HE 2. Mortgage Credit Certificate Program

Program Description: The City will participate in the Mortgage Credit Certificate Program to provide assistance to moderate-income first time home buyers.

The Mortgage Credit Certificate (MCC) is a way for the City to further leverage homeownership assistance. MCCs are certificates issued to income qualified first time homebuyers authorizing the household to take a credit against federal income taxes of up to 20 percent of the annual mortgage interest paid. The mortgage payments are used to repay the bonds; there is no City guarantee required.

Objective: Increase home ownership opportunities for moderate-income first time home buyers.

Two-Year Goal: Establish participation in the Mortgage Credit Certificate Program.

Agency Responsible for Implementation: Economic Development Department

Funding Source: Federal Tax Credits.

Time Frame: Ongoing.

I-HE 3. Rental Certificates - Existing Program

Program Description: Through OCHA, provide Section 8 rental certificates/vouchers to income eligible singles and families of all sizes.

Objective: Provide rental housing affordable to very low income households.

Two-Year Goal: Continue to coordinate with OCHA.

Agency Responsible for Implementation: Orange County Housing Authority (OCHA)

Funding Source: HUD Section 8.

Time Frame: Ongoing.

I-HE 4. Adequate Community Facilities - Existing Activity

Program Description: The City will review all changes to planned land uses to determine cumulative impacts on community facilities.

Objective: To assure adequate levels of community facilities and services.

Two-Year Goal: Continue this as part of the development approval process.

Agency Responsible for Implementation: Community Development Department; Department of Public Works

Funding Source: General Fund; Developer Fees.

Time Frame: Ongoing.

I-HE 5. Single-Family Rehabilitation - Existing Program

Program Description: The City will continue to make available low interest rehabilitation loans for low- and moderate-income owner-occupied single-family housing including mobile homes.

Objective: To preserve existing affordable housing.

Two-Year Goal: 15 units per year (30 units over the next two years), with a maximum loan of \$15,000 per unit.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG funds; HOME funds.

Time Frame: Ongoing.

I-HE 6. Multiple-Family Acquisition and Rehabilitation through Non-Profit Developers - Existing Program

Program Description: The City will continue to assist non-profits with acquisition and rehabilitation of existing multiple-family housing stock.

Objective: To preserve existing affordable housing.

Two-Year Goal: Rehabilitation of five units per year.

Agency Responsible for Implementation: Economic Development Department; Redevelopment Agency

Funding Source: HOME; Redevelopment Set-Aside Funds; CDBG.

Time Frame: Ongoing.

I-HE 7. Multiple-Family Rehabilitation Assistance to Investors/Owners - Existing Program

Program Description: Within select target areas, the City will continue to provide low interest rehabilitation loans to investor-owners of multiple-family rental housing.

Objective: To preserve existing affordable housing.

Two-Year Goal: Rehabilitation of 8 units per year (a total of 16 units).

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG Funds; Redevelopment Set-Aside Funds; HOME.

Time Frame: Ongoing.

I-HE 8. Monitor Housing Conditions - Existing Activity

Program Description: The City will monitor housing conditions in neighborhoods considered marginal or at-risk for deteriorated conditions in order to identify the need to expand existing rehabilitation programs.

Objective: To prevent deterioration in marginal neighborhoods.

Two-Year Goal: Target different areas of the City each year.

Agency Responsible for Implementation: Community Development Department; Economic Development Department

Funding Source: General Fund; CDBG Funds.

Time Frame: Ongoing.

I-HE 9. Neighborhood Improvement Programs

Program Description: This activity will be used to administer and implement a comprehensive neighborhood improvement in target areas of City, including: Home Improvement Rebates; Home Security; Target Area Code Enforcement; Neighborhood Cleanup Days; and Graffiti Removal and Prevention. In addition, the City will facilitate formation of Property Owner Associations within Target Areas to encourage property maintenance, deter overcrowding, and instill neighborhood pride. These programs will help improve homes and enhance neighborhoods in the city.

Objective: To increase property maintenance and neighborhood improvements in target areas.

Two-Year Goal: Target different areas of the City each year.

Agency Responsible for Implementation: Community Development Department; Economic Development Department

Funding Source: CDBG Funds; Redevelopment Set-Aside; private funds.

Time Frame: Ongoing.

I-HE 10. Citywide Code Enforcement Program - Existing Program

Program Description: The City will continue to enforce the City's code enforcement program, including property maintenance inspections.

Objective: To ensure uniform maintenance consistent with the standard prevalent in the community.

Two-Year Goal: Continue property maintenance inspections.

Agency Responsible for Implementation: Community Development Department

Funding Source: General Fund; CDBG Funds

Time Frame: This is an ongoing activity.

I-HE 11. Affordable Housing Monitoring Program - Existing Program

Program Description: The City will develop an affordable housing monitoring program, including restrictive covenants for resale and rental units and financing mechanisms to ensure long-term conservation of affordable units for which the City, State or Federal government has provided assistance and/or incentives. The City's density bonus and bond-financed units will be monitored and financial and organizational resources will be identified to preserve projects at risk of losing

their affordability controls. In addition, the City will develop a program that would offer developers an opportunity to purchase “at-risk” units as a means of satisfying affordable housing requirements that may be part of the conditions of approval for their projects.

Objective: To retain the existing affordable units that have been produced with public sector assistance and/or incentives.

Two-Year Goal: The City will locate all of the existing units with low income use restrictions, establish an ongoing monitoring program, and create a preservation program by June 30, 1999.

Agency Responsible for Implementation: Economic Development Department; Community Development Department

Funding Source: General Fund; CDBG; Redevelopment Set-Aside; HOME.

Time Frame: This is an ongoing activity, however, the preservation program will be in place by the end of June, 1999.

I-HE 12. Multiple-Family Interest Rate Write-Down Program

Program Description: The City will develop a Multiple-Family Interest Rate Write-Down Program targeted to the 137 low income units in Seabridge Villas and Huntington Breakers at-risk of conversion to market-rate housing.

Objective: To conserve the existing stock of publicly-assisted affordable housing.

Two-Year Goal: The City will have this program in place by June 30, 1999. Preserve 137 low income bond units at risk of conversion to market rate.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG; Redevelopment Set-Aside; HOME.

Time Frame: Once established by the end of June, 1999, the program will be ongoing.

I-HE 13. Condominium Conversion Ordinance - Existing Program

Program Description: The City will continue to enforce its Condominium Conversion Ordinance, while considering revisions to allow modified requirements for affordable units.

Objective: To regulate the conversion of rental housing to owner-occupied units to mitigate impacts on affordable rental housing.

Two-Year Goal: The City will continue to enforce the ordinance.

Agency Responsible for Implementation: Community Development Department; City Attorney

Funding Source: General Fund.

Time Frame: This is an ongoing activity.

I-HE 14. Financial Assistance for Displaced Residents - Existing Program

Program Description: The City will require a housing replacement plan for all redevelopment projects that result in displacement of residents. In addition, the City will provide financial assistance for relocation of persons displaced by government activities.

Objective: The requirement for a housing replacement plan and financial assistance for relocation of residents shall be required of all projects.

Two-Year Goal: To provide housing for those displaced due to development.

Agency Responsible for Implementation: Economic Development Department

Funding Source: Redevelopment Funds; CDBG; HOME; Section 8 (OCHA)

Time Frame: This will be an ongoing activity.

I-HE 15. Replacement of Affordable Housing - Existing Program

Program Description: The City will require a housing replacement plan for all projects that result in demolition of housing for low- and moderate-income households located within the Coastal Zone. If the housing is demolished as part of the redevelopment plan, the Agency will assure that a relocation plan will provide financial assistance for relocation of persons displaced by redevelopment activities as required by Redevelopment law.

Objective: Conservation and replacement of affordable housing.

Two-Year Goal: To continue monitoring affordable housing.

Agency Responsible for Implementation: Community Development Department; Economic Development Department.

Funding Source: General Fund; Redevelopment Set-Aside

Time Frame: This will be an ongoing activity.

I-HE 16. Off-Site Multi-family Acquisition/Rehabilitation

Program Description: The City has been allowing developers to provide their affordable housing requirements (a condition of new residential development in the City) through rehabilitation of low and very-low income units in various projects within the City. The affordability of the units is secured for a minimum 30 year period through an affordable housing agreement between the City, the developer, and a non-profit organization that administers the affordable rental units and is responsible for monitoring and annual reporting of the affordable rental rates and renter eligibility certification to the City.

Objective: To facilitate rehabilitation and long term affordability of City's rental housing stock.

Two-Year Goal: Provide an additional 23 affordable units through off-site, deed restricted rental rehabilitation.

Agency Responsible for Implementation: Community Development Department.

Funding Source: None necessary

Time Frame: This will be an ongoing activity

ISSUE AREA: PROVISION OF ADEQUATE HOUSING SITES

I-HE 17. Vacant Land Inventory - Existing Activity

Program Description: The City will maintain an up-to-date inventory of vacant land within the City. This inventory will be updated annually.

Objective: Expedite identification of residential opportunities in Huntington Beach.

Two-Year Goal: Review the vacant land inventory on an ongoing basis.

Agency Responsible for Implementation: Community Development Department; Economic Development Department

Funding Source: General Fund; CDBG

Time Frame: This will be an ongoing activity.

I-HE 18. Monitor Changes in Industrial and Commercial Land Use - Existing Activity

Program Description: The City will monitor changes in industrial and commercial land use within the City, and assess the impacts of the changes on residential land use.

Objective: Reflect changing conditions to adequately respond to current housing needs.

Two-Year Goal: Monitor changes in industrial and commercial land use on an ongoing basis.

Agency Responsible for Implementation: Community Development Department; Economic Development.

Funding Source: General Fund

Time Frame: This will be an ongoing activity.

I-HE 19. Residential Development Opportunities on School Sites - Existing Activity

Program Description: The City will work with the school districts to provide residential development opportunities on appropriate surplus school sites.

Objective: To increase the availability of sites for residential development.

Two-Year Goal: The availability of school district property will be evaluated on an ongoing basis.

Agency Responsible for Implementation: Community Development Department; Department of Public Works; Economic Development Department; Community Services Department

Funding Source: Department Budgets

Time Frame: This will be an ongoing activity.

ISSUE: ASSIST IN THE DEVELOPMENT OF AFFORDABLE HOUSING

I-HE 20. Development of Senior Citizen and Low-/Moderate-Income Housing - Existing Activity

Program Description: The City will continue to make available Redevelopment Agency-owned property, set-aside funds, and other available resources for the construction of senior citizen and/or low- and moderate-income housing. As part of this activity, the City also provides for reduced development standards through use of the City's Senior Residential Suffix zoning.

Objective: To add to the City's affordable housing stock.

Two-Year Goal: Assist with production of 21 units by June 30, 1998.

Agency Responsible for Implementation: Economic Development Department.

Funding Source: Redevelopment Housing Set-Aside Fund; Housing Tax Credits; HUD Section 202.

Time Frame: This is an ongoing activity.

I-HE 21. Incentives for Development of Senior Citizen and Low-/Moderate-Income Housing -Existing Activity

Program Description: The City will continue to offer incentives, including density bonus, land write-downs, and write-downs of other development costs, to for-profit and non-profit developers, for the development of senior citizen and low-/moderate-income housing.

Objective: To add to the City's affordable housing stock.

Two-Year Goal: Development of between 5-10 additional affordable units by June 30, 1998.

Agency Responsible for Implementation: Community Development Department; Economic Development Department

Funding Source: General Fund; Redevelopment Set-Aside; HOME; CDBG; HUD Section 202.

Time Frame: This is an ongoing activity.

I-HE 22. Provide Consultation and Technical Support for Affordable Housing Projects - Existing Activity

Program Description: The City will continue to provide consultation and technical assistance to aid private developers in expanding housing opportunities.

Objective: To add to the City's affordable housing stock.

Two-Year Goal: Continue to provide consultation and technical support.

Agency Responsible for Implementation: Community Development Department; Economic Development Department

Funding Source: General Fund; Redevelopment Set-Aside; HOME; CDBG

Time Frame: This is an ongoing activity.

I-HE 23. Solicit Participation of Private Developers in Affordable Housing Programs - Existing Activity

Program Description: The City will continue its outreach campaign to solicit participation of private developers in affordable housing programs. The City will also maintain a roster of interested developers. An open door policy is in place for special non-profit housing developers known as Community Housing Development Organizations (CHDOs) using HOME funding.

Objective: To foster the production of affordable housing.

Two-Year Goal: Continue outreach and maintain roster.

Agency Responsible for Implementation: Economic Development Department

Funding Source: Department Administrative Budget

Time Frame: This is an ongoing activity.

I-HE 24. Encourage and Facilitate Development of Affordable Housing - Existing Activity

Program Description: The City will continue to establish contact with local community development corporations and other non-profit housing providers to encourage and facilitate the development of affordable housing in the City.

Objective: To provide increased housing opportunities for low- and moderate-income households.

Two-Year Goal: Continue contacts with local community development corporations and non-profits.

Agency Responsible for Implementation: Economic Development Department; Community Development Department

Funding Source: None necessary.

Time Frame: This is an ongoing activity.

I-HE 25. Tax Exempt Mortgage Financing - Existing Activity

Program Description: The City will continue to provide tax exempt mortgage financing for new multiple-family housing as allocations from the State are available.

Objective: To increase the supply of affordable rental housing stock.

Two-Year Goal: Continue to monitor interest rates for opportunities.

Agency Responsible for Implementation: Economic Development Department

Funding Source: Tax Exempt Financing

Time Frame: This is an ongoing activity.

I-HE 26. Project Self-Sufficiency - Existing Program

Program Description: This program offers assistance to families, through a broad array of networking agencies. The program is designed to promote self-sufficiency among the participants. Program participants are required to attend school or job training, and to secure employment.

Objective: To prevent single-parent households from becoming homeless through education and job training.

Two-Year Goal: Continue program.

Agency Responsible for Implementation: Community Services Department

Funding Source: CDBG Funds and private donations

Time Frame: This is an ongoing activity.

I-HE 27. OCHA "Gap" Financing for Affordable Housing - Existing Program

Program Description: The City will encourage use of "gap" financing supplied by OCHA for affordable housing projects.

Objective: To increase the supply of affordable housing.

Two-Year Goal: Continue program.

Agency Responsible for Implementation: Economic Development Department

Funding Source: OCHA

Time Frame: This is an ongoing activity.

I-HE 28. Redevelopment Agency Production and Replacement Housing Obligations - Existing Program

Program Description: The Redevelopment Agency will continue to pursue the production of affordable housing using CDBG and HOME funds, redevelopment set-aside funds and other available resources to meet the Agency's ongoing housing production and replacement obligations.

Objective: To increase the supply of affordable housing.

Two-Year Goal: Construct a total of 25 affordable housing units.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG funds; Redevelopment Agency funds; HOME; State and Federal Housing Tax Credits; other funds as available.

Time Frame: This is an ongoing activity.

I-HE 29. Implement Inclusionary Housing Ordinance.

Program Description: The City will pursue adoption and implementation of an inclusionary housing ordinance.

In general, "inclusionary housing" refers to provisions within the jurisdiction's zoning ordinance which require an established percentage of units within a market rate development be price-restricted as affordable units to be occupied by low- and moderate-income households.

Most inclusionary housing ordinances provide several options for fulfillment of the inclusionary housing requirement, such as provision of units either on- or off-site, or payment of an affordable housing in-lieu fee. The amount of the in-lieu fee is determined based on the amount of subsidy that would be necessary to develop the required inclusionary housing units at levels affordable to low- and moderate-income households (this is referred to as the "affordability gap").

Objective: To provide mechanism for integration of affordable housing within market rate developments, or development of off-site affordable units through payment of an in-lieu fee.

Two-year Goal: Evaluate establishment of an inclusionary housing ordinance.

Agency Responsible for Implementation: Community Development Department; Economic Development.

Funding Source: Department Budget

Time Frame: June 30, 1999

I-HE 30. In-Lieu Fee Program for Non-Residential Development.

Program Description: The City will evaluate establishing an in-lieu housing fee program for non-residential development.

There is a clear relationship between the addition of new buildings where people are employed within a given area and the demand for housing in that area. If new buildings add workspace and increase net employment, they will attract new workers to the area who will, in turn, increase the demand for housing. The additional demand in the housing market may induce builders to construct some amount of new housing, but this market-rate housing may not be affordable, and the additional demand will also make existing housing more expensive. The increased cost and diminished availability of housing will have its greatest effect on low- and moderate- income households who can least afford it.

In 1981, San Francisco began its Office Housing-Production Program which required developers to mitigate the housing market impact of new downtown office buildings by developing or paying for new housing units. Subsequently, these employment-housing "linkage" programs have been adopted

by various other jurisdictions throughout the State and country, including Sacramento, Berkeley, Santa Barbara County, Santa Monica, West Hollywood, Boston, Seattle and Miami. Such programs usually focus on the provision of affordable housing for low- and moderate-income persons - housing at sales prices and rents below those needed to cover the costs of new construction, and which developers will therefore not build without subsidy. The logic of most jobs-housing linkage programs holds that expanding the housing supply in the lower price and rent ranges will do most to mitigate the impact on the housing market from the influx of new workers, since they would otherwise compete with existing residents for the limited stock of affordable housing.

Objective: To provide mechanism to mitigate impact of commercial development on affordable housing demand.

Two-year Goal: Conduct a Nexus Study to quantify the relative impact of commercial development on affordable housing. Establish an in-lieu fee program as appropriate.

Agency Responsible for Implementation: Community Development Department; Economic Development Department.

Funding Source: Department Budget

Time Frame: June 30, 1999

ISSUE: REMOVAL OF GOVERNMENTAL CONSTRAINTS

I-HE 31. Handicapped Accessibility - Existing Activity

Program Description: The City will continue to adopt updates to the State Uniform Building and Housing Codes to reflect current accessibility requirements.

Objective: To provide more locational choice for the physically handicapped through the increase in supply of suitably accessible rental units.

Two-Year Goal: Continue to be current with the State Uniform Building and Housing Codes.

Agency Responsible for Implementation: Community Development Department

Funding Source: None necessary.

Time Frame: This is an ongoing activity.

I-HE 32. "Fast Track" Processing for Affordable Housing Projects

Program Description: The City will evaluate its approval process and determine the feasibility of a "fast tract" approval process for affordable housing projects.

Objective: To improve the economic feasibility of affordable housing projects.

Two-Year Goal: Evaluate development of a specific procedure for fast track processing.

Agency Responsible for Implementation: Community Development Department

Funding Source: Department budget.

Time Frame: Begin development of a procedure by June 30, 1999.

I-HE 33. Encourage Implementation of SRO Ordinance

Program Description: The City will develop a program to encourage implementation of the SRO Ordinance. Development standards for SROs are codified in the Zoning Ordinance (Section 230.46, Non-Residential Districts).

Objective: To increase the supply of affordable housing.

Two-Year Goal: Develop implementation program.

Agency Responsible for Implementation: Community Development Department

Funding Source: General Fund

Time Frame: Begin development of an implementation plan by June 30, 1999.

I-HE 34. Review the General Plan and the Zoning Subdivision Ordinance for Consistency with Housing Element -Existing Activity

Program Description: The City will review the other General Plan Elements and the Zoning Subdivision Ordinance to ensure it reflects Housing Element policies and programs.

Objective: To ensure consistency in implementing the housing programs.

Two-Year Goal: Continue to review the General Plan & Zoning Ordinance on an ongoing basis.

Agency Responsible for Implementation: Community Development Department

Funding Source: General Fund.

Time Frame: This is an ongoing activity.

ISSUE: EQUAL HOUSING OPPORTUNITY

I-HE 35. Fair Housing Plan

Program Description: As required by HUD, the City will prepare an “Analysis of Impediments to Fair Housing Choice” and implement Plan actions to address identified impediments.

Objective: To identify impediments to fair housing choice.

Two-Year Goal: Continue to provide fair housing services. Implement actions called for in 1996 Fair Housing Plan.

Agency Responsible for Implementation: Economic Development Department; Community Development Department.

Funding Source: Department Budgets; CDBG.

Time Frame: This will be an ongoing activity.

**I-HE 36. Continue to Use Services of the Fair Housing Council of Orange County (FHCOC)
-Existing Activity**

Program Description: The City will continue to use the services of the FHCOC. All complaints of discriminatory housing practices will be referred to FHCOC, and they will also provide education and outreach services about fair housing issues in Huntington Beach.

Objective: To assist residents in efforts to obtain unrestricted access to housing.

Two-Year Goal: Continue to provide fair housing services.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG.

Time Frame: This is an ongoing activity.

I-HE 37. Fair Housing Ordinance

Program Description: The City will adopt a Fair Housing Ordinance substantially equivalent to the Federal Fair Housing Act, as amended in 1988, showing compliance with Federal and/or State law.

Objective: To affirmatively further fair housing choice.

Two-Year Goal: Begin draft, obtain citizen comment, and design enforcement program.

Agency Responsible for Implementation: Economic Development Department; Community Development Department and City Attorney's Office.

Funding Source: Department Budgets; CDBG

Time Frame: Begin development of Fair Housing Ordinance by June 1999.

I-HE 38. Accessible Housing Coordination - Existing Activity

Program Description: The City will continue to coordinate with the Dayle MacIntosh Center to maintain a directory of accessible housing for handicapped persons.

Objective: To make accessible information on locational choice for the physically handicapped.

Two-Year Goal: Continue to maintain an up-to-date directory.

Agency Responsible for Implementation: Economic Development Department; Dayle MacIntosh Center.

Funding Source: N/A

Time Frame: This is an ongoing activity.

I-HE 39. Rehabilitation Loans and Grants for Unit Modifications for the Physically Handicapped - Existing Program

Program Description: The City will increase the public's awareness of available grants, through preparation and distribution of information packets, which are available to owners of rental housing, and loans which are available to owner-occupants, for modifications necessary to make units accessible to and suitable for the physically disabled.

Objective: To provide more locational choice for the physically handicapped due to an increase in the supply of suitable units.

Two-Year Goal: Modification assistance for two rental and two owner units.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG.

Time Frame: This is an ongoing activity.

I-HE 40. Continuum of Care - Homeless Assistance

Program Description: Continue to participate in the County's Continuum of Care Strategy to assist homeless persons transition through the various stages to self-sufficiency. Continue to fund local non-profit groups that provide services to the area's homeless population. Provide public notification of the availability of funds through newspaper advertisements, as well as direct notification to local service providers.

Program Objective: To address the needs of the City's homeless.

Two-Year Goal: Participate in the County's Regional Committee for the Continuum of Care. A portion of the City's CDBG monies will be used to fund homeless services providers.

Agency Responsible for Implementation: Economic Development Department

Funding Source: CDBG.

Time Frame: This is an activity approved annually in the City's Consolidated Action Plan.

ISSUE: ENERGY CONSERVATION

I-HE 41. Review Relevant Regulations and Policies to Address Solar Access - Existing Activity

Program Description: Review the City's zoning and subdivision regulations, EIR and site plan review guidelines, and municipal landscaping policies and revise as appropriate to address the issue of solar access.

Objective: Provide for sustained energy conservation in existing and new development.

Two-Year Goal: Continue to review the relevant regulations and policies on an ongoing basis.

Agency Responsible for Implementation: Community Development Department

Funding Source: General Fund.

Time Frame: This is an ongoing activity.

I-HE 42. Continue to Support Energy Conservation Programs Offered by the Utilities.

Program Description: Continue to support and assist in publicizing energy conservation programs offered by the utilities and non-profit agencies.

Objective: Improve residential energy efficiency and allow for related reductions in housing costs.

Two-Year Goal: Continue activity.

Agency Responsible for Implementation: Community Development Department

Funding Source: General Fund

Time Frame: This is an ongoing activity

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING:					
1. Down Payment Assistance Program	Continue to implement shared equity program on a project by project basis. Increase home ownership opportunities for moderate-income first time homebuyers.	Assist 10 first time moderate-income households	Economic Development Department	Redevelopment Set-Aside	Ongoing
2. Mortgage Credit Certificate Program	Participate in the Mortgage Credit Certificate program. Increase home ownership opportunities for moderate-income first time homebuyers.	Participate in Mortgage Credit Certificate program	Economic Development Department	Federal Tax Credits	Ongoing
3. Rental Certificates	Through OCHA, provide Section 8 rental certificates/ vouchers to families of all sizes. Provide rental housing affordable to very low income households.	Continue to coordinate with Orange County Housing Authority	Orange County Housing Authority	HUD Section 8	Ongoing
4. Adequate Community Facilities	Review all changes in planned land uses to determine cumulative impacts on community facilities. Assure adequate levels of community facilities and services.	Continue as part of development approval process	Community Development Department; Department of Public Works	General Fund/ Developer Fees	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING (continued)					
5. Single-Family Rehabilitation	Continue to make available low interest rehab loans for low-income owner-occupied single-family housing. Preserve existing affordable housing.	A total of 30 low-income units - maximum loan of \$15,000 per unit (15 per year).	Economic Development Department	CDBG Funds; HOME Funds	Ongoing
6. Multiple-Family Acquisition and Rehabilitation through Non-Profit Developers	Continue to assist non-profits in acquisition and rehabilitation of existing multiple-family housing stock within enhancement and redevelopment areas. Preserve existing affordable housing.	Rehabilitation of 10 low-income units (5 per year).	Economic Development Department; Redevelopment Agency	HOME; Redevelopment Set-Aside; CDBG	Ongoing
7. Multiple-Family Rehabilitation Assistance to Investors/Owners	Within selected target areas, provide low interest rehab loans to investor-owners of multiple-family rental housing. Preserve existing affordable housing.	16 low-income units (8 per year).	Economic Development Department	CDBG Funds; Redevelopment Set-Aside; HOME	Ongoing
8. Monitor Housing Conditions	Monitor housing conditions in neighborhoods considered marginal or at-risk for deteriorated conditions in order to identify the need to expand existing rehab programs. Prevention of deterioration in marginal neighborhoods.	Target different areas of the City every year	Economic Development Department; Community Development Department	General Fund; CDBG Funds	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING (continued)					
9. Neighborhood Improvement Programs	Implement comprehensive neighborhood improvement Strategy in target areas. Increase property maintenance and neighborhood improvements in target areas.	Hold community meetings in the target area for each year	Community Development Department and Economic Development Department	CDBG; Redevelopment Set-Aside; Private Funds.	Ongoing
10. Citywide Code Enforcement Program	Continue to enforce the City's code enforcement program, including property maintenance inspections. Ensure uniform maintenance consistent with the standard prevalent in the community.	Continue property maintenance inspections	Community Development Department	General Fund; CDBG Funds	Ongoing
11. Affordable Housing Monitoring Program	Develop an affordable housing monitoring program, including restrictive covenants for resale and rental units and financing mechanisms to ensure long-term conservation of affordable units for which City, State or Federal incentive has been provided. Retention of affordable units produced with public sector assistance/ incentives.	Locate all units and establish ongoing monitoring program. Create preservation program by June 30, 1999	Economic Development Department; Community Development Department	General Fund; CDBG; Redevelopment Set-Aside; HOME	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING (continued)					
12. Multiple-Family Interest Rate Write-Down Program	Develop a Multi-Family Interest Rate Write-Down Program targeted towards publicly-subsidized housing projects with the potential for conversion to market rate. Conservation of existing stock of publicly-assisted affordable housing.	Implementation of program. Preservation of 137 at-risk bond units.	Economic Development Department;	Redevelopment Set-Aside; HOME; CDBG	Establish by end of June, 1999. Thereafter it will be ongoing.
13. Condominium Conversion Ordinance	Continue to enforce the City's condominium conversion ordinance. Regulate the conversion of rental housing to ownership units in order to mitigate impacts on affordable rental housing.	Continue to enforce the ordinance	Community Development Department; City Attorney	General Fund	Ongoing
14. Financial Assistance for Displaced Residents	Provide financial assistance for relocation of persons displaced by government activities.	Require a housing replacement plan for all projects that result in displacement of residents	Economic Development Department	Redevelopment Funds; CDBG; HOME; Section 8 (OCHA)	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
CONSERVING AND IMPROVING EXISTING AFFORDABLE HOUSING (continued)					
15. Replacement of Affordable Housing.	Continue to monitor and assure replacement of low- and moderate-income housing which is demolished or converted. Conservation and replacement of affordable housing.	Continue monitoring	Community Development Department; Economic Development Department.	General Fund; Redevelopment Set-Aside	Ongoing
16. Off-site Multi-Family Acquisition/ Rehabilitation	Allow developers to fulfill affordable housing requirements through off-site acquisition/ rehabilitation of rental units. Provide 30 year affordability covenants.	Provide 23 deed restricted units	Community Development Department	None necessary	Ongoing
PROVISION OF ADEQUATE HOUSING SITES:					
17. Vacant Land Inventory	Maintain inventory of vacant land in City. Expedite identification of residential opportunities in the City.	Review on an ongoing basis	Community Development Department; Economic Development Department	General Fund; CDBG	Ongoing
18. Monitor Changes in Industrial and Commercial Land Use	Monitor changes in industrial and commercial land uses to assess their impact on residential land use. Reflect changing conditions to adequately respond to current housing needs.	Review on an ongoing basis	Community Development Department; Economic Development	General Fund	Ongoing

TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
PROVISION OF ADEQUATE HOUSING SITES (Continued):					
19. Residential Development Opportunities on School Sites	Work with school districts to provide residential development opportunities on appropriate surplus school sites. Increase availability of sites for residential development.	Review on an ongoing basis	Community Development Department; Department of Public Works; Economic Development Department; Community Services Department.	Department Budgets	Ongoing
ASSIST IN DEVELOPMENT OF AFFORDABLE HOUSING:					
20. Development of Senior Citizen and Low-/Moderate-Income Housing	Construction of senior citizen and low/moderate income housing. Add to the City's affordable housing stock.	Aid in production of 21 units	Economic Development Department	Redevelopment Housing Set-Aside Fund; Tax Credits; HUD Section 202.	Ongoing
21. Incentives for Development of Senior Citizen and Low/Moderate Income Housing	Provide incentives for development of senior citizen and low/moderate income housing. Increase the supply of affordable housing.	Development of between 5-10 additional affordable units	Community Development Department; Economic Development Department	General Fund; Redevelopment Set-Aside; HOME; CDBG; HUD Section 202.	Ongoing
22. Provide Consultation and Technical Support for Affordable Housing Projects	Assist private developers in expanding housing opportunities by providing consultation and technical support. Increase housing choice and supply of affordable housing.	Continue to provide consultation and technical support	Community Development Department; Economic Development Department	General Fund; Redevelopment Set-Aside; HOME; CDBG	Ongoing

TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
ASSIST IN DEVELOPMENT OF AFFORDABLE HOUSING (continued):					
23. Solicit Participation of Private Developers in Affordable Housing Programs	Solicit participation of private developers in affordable housing programs. Production of affordable housing.	Maintain roster of interested firms	Economic Development Department	Department Administrative Budget	Ongoing
24. Encourage and Facilitate the Development of Affordable Housing	Establish contact with local community development corporations and other non-profit housing providers to encourage and facilitate the development of affordable housing in the City. Increased housing opportunities for low- and moderate-income households.	Continue contacts with local community development corporations and non-profits	Economic Development Department; Community Development Department	None necessary	Ongoing
25. Tax Exempt Mortgage Financing	Continue to provide tax exempt mortgage financing for new multiple-family housing. Increase supply of affordable rental housing stock.	Continue to monitor interest rates for opportunities.	Economic Development Department	Tax Exempt Financing	Ongoing
26. Project Self-Sufficiency	This program offers assistance to families through a broad array of networking agencies. Prevent single-parent households from becoming homeless and achieve self-sufficiency.	Continue program	Community Services Department	CDBG; HOME General Fund; private donations; competitive HUD grants.	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
ASSIST IN DEVELOPMENT OF AFFORDABLE HOUSING (continued):					
27. OCHA "Gap" Financing for affordable housing	Encourage use of "gap" financing from OCHA for res. projects with affordable housing. Increase supply of affordable housing.	Continue program	Economic Development Department	Orange County Housing Authority	Ongoing
28. Redevelopment Agency Production and Replacement Housing Obligations	Continue to pursue production of affordable housing to meet the Redevelopment Agency's ongoing production and replacement housing obligations. Increase the supply of affordable housing.	25 Units	Economic Development Department	CDBG Funds; Redevelopment Agency funds; HOME; State and Federal Housing Tax Credits; others as available	Ongoing
29. Inclusionary Housing Ordinance	Evaluate establishment of an inclusionary housing ordinance	Adopt ordinance	Community Development Department; Economic Development	Department Budget	June 30, 1999.
30. In-Lieu Fee Program for Non-Residential Development	Evaluate an in-lieu fee establishing an in-lieu fee for non-residential development	Conduct Nexus Study. Establish fee program as appropriate.	Community Development Department; Economic Development	Department Budget	June 30, 1999

TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
REMOVAL OF GOVERNMENTAL CONSTRAINTS:					
31. Handicapped Accessibility	Continue to adopt updates to the State Uniform Building and Housing Codes to reflect current accessibility requirements. More locational choice for the physically handicapped due to increase in supply of suitable rental units.	Continually adopt updates to the State Uniform Building and Housing Codes to reflect current accessibility requirements	Community Development Department	None required	Ongoing
32. "Fast Track" Processing for Affordable Housing Projects	Evaluate fast track processing for affordable housing projects. Improve economic feasibility of affordable projects.	Evaluate development of a specific procedure for fast track processing	Community Development Department	Department Budget	Begin developing a procedure by June 30, 1999.
33. Encourage Implementation of SRO Ordinance	Develop program to encourage implementation of SRO Ordinance. Increase supply of affordable housing.	Develop Program	Community Development Department	General Fund	Begin developing implementation plan by June 30, 1999.
34. Review General Plan and Zoning Subdivision Ordinance for Consistency with Housing Element	Review General Plan, Zoning and Subdivision Ordinance to ensure it reflects Housing Element policies and programs. Ensure consistency in carrying out the housing program.	Continue to review on an ongoing basis	Community Development Department	General Fund	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
EQUAL HOUSING OPPORTUNITY:					
35. Fair Housing Plan	Prepare Fair Housing Plan which identifies impediments to fair housing choice, and sets forth appropriate actions.	Continue to provide fair housing services. Implement actions called for in Plan.	Economic Development Department; Community Development Department	CDBG	Ongoing
36. Continue to use the services of the Fair Housing Council of Orange County	All complaints of discriminatory housing practices will be referred to FHCOC, and they will also provide education and outreach services. Assist residents in efforts to obtain unrestricted access to housing.	Continue to provide fair housing services	Economic Development Department	CDBG	Ongoing
37. Fair Housing Ordinance	To affirmatively further fair housing choice.	Adopt a Fair Housing Ordinance	Community Development and Economic Development departments; City Attorney	CDBG	June, 1999
38. Accessible Housing Coordination	Continue to coordinate with Dayle MacIntosh Center. Make accessible information on locational choice for the physically handicapped.	Coordinate with the Dayle MacIntosh Center to maintain a directory of accessible housing for persons with disabilities.	Economic Development Department and Dayle MacIntosh Center	N/A	Ongoing

**TABLE HE-28
HUNTINGTON BEACH
1989-2000 HOUSING IMPLEMENTATION
PROGRAM
(continued)**

HOUSING PROGRAM	PROGRAM DESCRIPTION/ OBJECTIVE	TWO YEAR GOAL	RESPONSIBLE AGENCY	FUNDING SOURCE	SCHEDULE
EQUAL HOUSING OPPORTUNITY (continued)					
39. Rehabilitation Loans and Grants for Unit Modifications to Accommodate Physically Handicapped	Increase awareness of grants for unit modifications to accommodate physically handicapped. More locational choice for the physically handicapped due to increase in supply of suitable rental units.	Modification assistance for 2 rental units and 2 owner units.	Economic Development Department	CDBG	Ongoing
40. Continuum of Care- Homeless Assistance	Participate in Regional Strategy to assist the homeless.	Participate in the Regional Committee for the Continuum of Care. Allocate CDBG funds to homeless service providers.	Economic Development Department	CDBG	Ongoing

